CHC Healthcare Group 2024 Sustainability Report

Company Code：4164

CHC HEALTHCARE GROUP

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Reporting Practices

CHC Healthcare Group 2024 Sustainability Report	
Reporting Guidelines	The report is prepared in accordance with the GRI Standards issued by the Global Sustainability Standards Board (GSSB), and referring to the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies and adopting the industry standards of SASB, the recommended framework of TCFD, and the UNGC of the United Nations.
Reporting Period	The reporting period of the information disclosed in the report is the Year 2024 (from January 1 to December 31, 2024), which aligns with the reporting period of the 2024 annual consolidated financial statements of CHC Healthcare Group (the Group / CHC). However, considering the completeness and comparability, some information is disclosed with retrospective data from previous years. Additionally, to reflect the timeliness of information updates, some data is disclosed as the most recent information available before the publication of the report in Chinese version. The reporting period for certain contents is indicated respectively in the report.
Publication Date of Last Version	The 2023 Sustainability Report has been published on August 7, 2024.
Reporting Frequency	The sustainability report is prepared and published once a year.
Reporting Entities	The term CHC Healthcare Group (the Group / CHC) in this report refers to CHC Healthcare Group (the Company) and its 23 subsidiaries. The report covers various ESG performances and data of the Group. For certain content does not cover all operational sites, it is specifically noted in the report.
Editing & Finalizing	The Chinese version of the report is jointly prepared by working groups assigned by the CHC's Sustainability Committee and published after being reviewed by responsible supervisors and approved by the Board of Directors.
External Assurance	The Group has not yet sought external assurance.
Publication Date	Chinese version: August 6, 2025 English version: October 31, 2025
Feedback	CHC Healthcare Group - Sustainability Committee Tel: +886-2-6608-1999 Ext.755 E-mail: ir@chcg.com

Letter from the Chairman

Thank you to all stakeholders for your continued support and guidance, which have enabled CHC Healthcare Group to achieve steady growth in a highly competitive environment. A solid economic foundation serves as the cornerstone of sustainable development. Looking ahead, the Group will continue to expand its business and sustain growth momentum, with the aim of maximizing value for all stakeholders.

CHC has been in Taiwan's medical industry for over forty-five years and is committed to introducing high-end medical equipment from major international brands and providing customers with a full range of medical management services. In recent years, in addition to actively sourcing new products and enhancing service quality, the Group has expanded into overseas markets with its successful experience in Taiwan. Furthermore, the Group has diversified its business by extending from its core in the medical industry to other fields. As Taiwan transitions from an aged society to a super-aged society, and in response to the increasing emphasis on personal health, the Group has expanded its operations from B2B to B2C markets step by step, including the business of chain community pharmacies and elderly care. Additionally, considering global trends in environmental, safety, and health standards, as well as domestic industry needs, the Group has exclusively introduced the sustainable Belgium-made IBA irradiation system, expanding into the international high-tech irradiation business. Through these multi-domain sustainability transformations, the Group aims to strengthen sustainable competitiveness and drive long-term corporate sustainability.

While expanding its operations, CHC actively integrates resources from various departments to achieve sustainable business operations. In terms of environment, in addition to conducting greenhouse gas inventories, the Group also encourages green procurement and develops low-carbon products and services, aiming to contribute to Taiwan's path toward net-zero emissions. In terms of society, the Group strives to foster local prosperity and ultimately achieve the goal of shared well-being across society, while aligning with its core business by dedicating resources with a focus on health. In terms of corporate governance, the Group continuously monitors changes in domestic and international regulations as well as sustainability trends. The Board of Directors regularly receives reports from the "Corporate Sustainability Committee" and the management team, with the goal of laying a solid foundation for sustainable business operations.

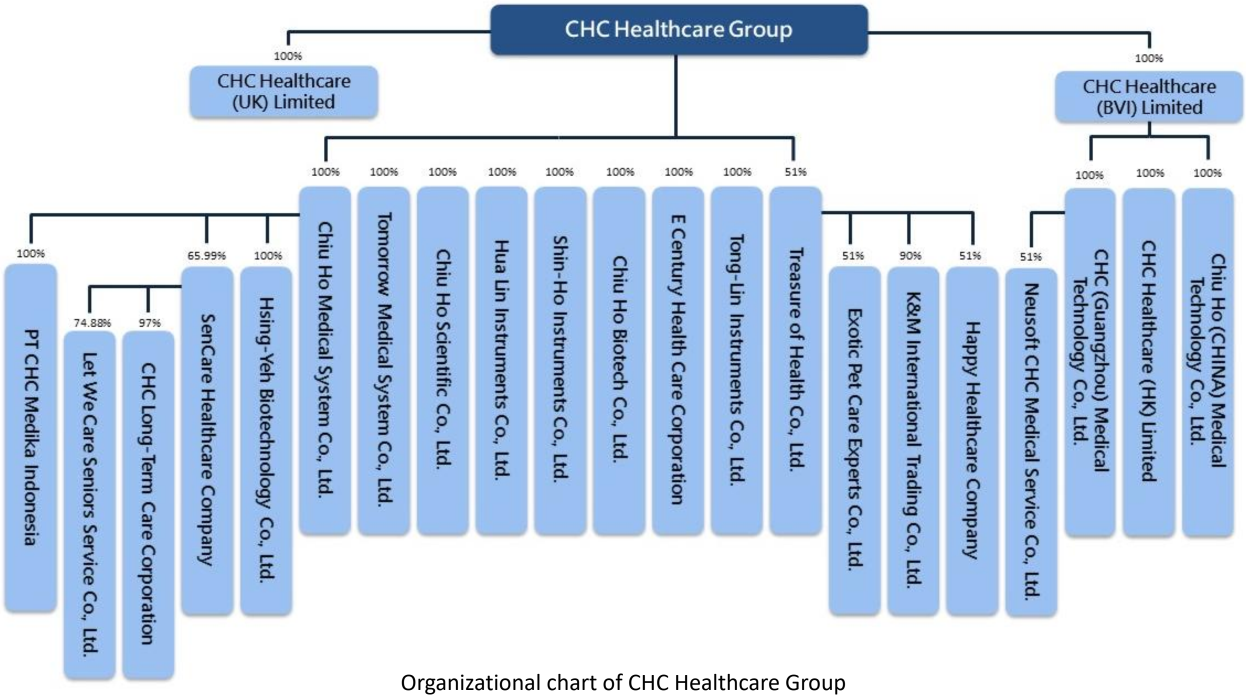
With the corporate culture of Connecting Your Health with Our Commitment, the Group will keep committing to serving as a bridge in the interaction between major international medical equipment manufacturers and medical institutions in Asia-Pacific and exert its corporate influence to work with stakeholders for the ultimate goal of securing a sustainable future.

Ch.1 Operation and Governance

1.1 About CHC

Group Profile

CHC Healthcare Group (the Group / CHC) is composed of the parent company CHC Healthcare Group (the Company) and its subsidiaries. The parent company CHC Healthcare Group was established under relevant law on November 27, 2009, mainly to reorganize the organizational structure of affiliated enterprises such as Chiu Ho Medical System Co., Ltd (Chiu Ho Medical). to take advantage of the market synergy in Greater China. Taking investing and managing investment businesses as its core business, the Company has been listed on the Taiwan Stock Exchange since October 24, 2012, for company code 4164. The Group is currently led by Chairman Pei-Lin, Lee, with 405 employees (375 in Taiwan, 26 in China, and 4 in Indonesia) and 23 subsidiaries. The headquarters is in Taipei City, with offices in Taichung and Kaohsiung, and subsidiaries in Guangzhou, Beijing, Shenyang, Indonesia, and the United Kingdom.



Organizational chart of CHC Healthcare Group

The first subsidiary of the Group was founded in 1977. The business scope of CHC's subsidiaries covers multi-dimensions from reinvestment business, distribution, repair and maintenance, lease of the equipment for radiation oncology, neuroscience, medical imaging, ophthalmology, and surgery, sales of spare parts and consumables, to sales of medicines and health supplements. The Group also sets up customer service centers in Taipei, Taichung, Kaohsiung, Guangzhou, Beijing, Shenyang, Indonesia, and the United Kingdom for the internal technical team to provide immediate technical support from equipment installation to maintenance and upgrades, which can be further combined with comprehensive services including site planning and construction, management consultation, and medical technician training. The continuous improvement of CHC's medical management services is popular among medical institutions, not only making customers willing to build long-term collaboration but also allowing suppliers to have no concern with the distributorship. The partnership between upstream and downstream is thus more comprehensive and stable. In addition, the Group also has diversified its business to various fields, taking the medical industry as a starting point. The Group has completed the acquisition of a chain community pharmacies channel and announced its launch into the elderly care market, extending the business territories from B2B to B2C. To drive the sustainable operation of the enterprise, the Group has successfully developed a paperless integrated radiation oncology information system and invested in a world-class high-tech irradiation business. Taking into account international environmental, health, and safety trends as well as domestic industry needs, the Group aims to further promote overall human health and well-being.

Basic Information of CHC				
(December 31, 2024, expressed in NT$ unless otherwise provided)				
Company name	**Incorporation date**	**Location**	**Paid-in capital**	**Main business activity**
Parent company				
CHC Healthcare Group	November 27, 2009	Neihu Dist., Taipei City	1,668,651,490	Holdings and indirect investments
Subsidiary				
Chiu Ho Medical System Co., Ltd.	March 17, 2000	Neihu Dist., Taipei City	4,450,000,000	Medical instrument sale, leasing and services
Tomorrow Medical System Co., Ltd.	March 20, 2006	Neihu Dist., Taipei City	908,000,000	Medical instrument sale, leasing and services
Chiu Ho Scientific Co., Ltd.	March 17, 2006	Neihu Dist., Taipei City	98,538,410	Ophthalmic equipment sale, leasing and services
Hua Lin Instruments Co., Ltd.	July 10, 1999	Neihu Dist., Taipei City	300,000,000	Medical instrument leasing
Shin-Ho Biotech Co., Ltd.	October 16, 2002	Tongluo Township, Miaoli County (Hsinchu Science Park)	213,000,000	Medical instrument leasing and irradiation business
E Century Health Care Corporation	December 6, 2002	Neihu Dist., Taipei City	440,000,000	Medical instrument leasing
Tong-Lin Instruments Co., Ltd.	February 25, 2002	Neihu Dist., Taipei City	310,000,000	Medical instrument leasing
Chiu Ho Biotech Co., Ltd.	December 16, 2003	Neihu Dist., Taipei City	199,639,880	Medical instrument leasing
CHC Healthcare (BVI) Limited	November 23, 2010	Tortola, British Virgin Islands	USD 940	Holdings and indirect investments
CHC Healthcare (HK) Limited	September 19, 2012	Hunghom, Kowloon, Hong Kong	HKD 1,000,000	Medical instrument sale, leasing and services
CHC (Guangzhou) Medical Technology Co., Ltd.	July 13, 2011	Yuexiu Dist., GuangZhou	USD 9,502,777.42	Medical instrument sale, leasing and services
Chiu Ho (CHINA) Medical Technology Co., Ltd.	May 30, 2013	Chaoyang Dist., Beijing	USD 7,544,411.00	Medical instrument sale, leasing and services
Hsing-Yeh Biotechnology Co., Ltd.	September 21, 2015	Neihu Dist., Taipei City	936,000,000	Medical instrument sale and leasing, drug sale
Neusoft CHC Medical Service Co., Ltd.	March 28, 2018	Hunnan Dist., Shenyang	RMB 7,200,000	Medical instrument leasing
SenCare Healthcare Company	September 27, 2018	Neihu Dist., Taipei City	294,000,000	Consulting and elderly citizen residence
PT CHC Medika Indonesia	March 21, 2017	Jakarta, Selatan Indonesia	IDR 2,566,000,000	Medical instrument leasing
CHC Long-Term Care Corporation	December 31, 2019	Yangmei Dist., Taoyuan City	32,000,000	Long-term care services
Treasure of Health Co., Ltd.	March 27, 2018	Xizhi Dist., New Taipei City	126,700,000	Drug and health supplements sale
CHC Healthcare (UK) Limited	October 22, 2021	Edgware, London, United Kingdom	GBP 200,000	Medical instrument sale
Exotic Pet Care Experts Co., Ltd.	March 13, 2023	Xizhi Dist., New Taipei City	8,000,000	Veterinary medical instrument leasing and drug sale
K&M International Trading Co., Ltd.	May 30, 2023	Nangang Dist., Taipei City	28,970,000	Daily necessities and beauty product sale

Basic Information of CHC				
(December 31, 2024, expressed in NT$ unless otherwise provided)				
Company name	**Incorporation date**	**Location**	**Paid-in capital**	**Main business activity**
Subsidiary				
Let We Care Seniors Service Co., Ltd.	August 15, 2017	East Dist., Hsinchu City	6,299,800	Senior services
Happy Healthcare Company	December 24, 2010	Zhudong Township, Hsinchu County	11,341,220	Drug and health supplements sale

CHC has been deeply engaged in the domestic market for many years and is committed to introducing high-end medical equipment and technologies, aiming to improve domestic medical treatment quality and achieve a three-win situation among the Group, the patients, and the medical institutions. Recently the Group has also actively expanded into the overseas market and developed diverse business models, focusing on Asia, especially emerging markets such as China and Southeast Asian countries, considering these markets have great potential for development and the establishment of additional sites has a positive effect on overall corporate operational efficiency.

Moreover, to strengthen its influence, the Group has broadened its business territory by entering the chain pharmacy channel market and establishing physical and online channels, planning to introduce high-tech irradiation technology to accelerate the domestic industry's attainment of international standards, and expanding into elderly care industry to create an all-new elderly care experience for Taiwan in conjunction with strategic partners Sakurajiyuji Group of Japan. CHC adheres to the business philosophy of Connecting Your Health with Our Commitment to devote time and effort to the medical equipment market at home and abroad, continue to lead the industry, and hope to hold the established leadership in the comprehensive medical service industry in the Asia-Pacific region.

Business Performance

As British scholar John Elkington once proposed the concept of Triple Bottom Line, under the framework of corporate sustainability, corporates carry the most basic three responsibilities consisting of economic responsibility, environmental responsibility, and social responsibility. And ESG is the practice of these responsibilities, which include three dimensions E(Environment), S(Social), and G(Governance). CHC believes achieving solid corporate governance is the primary task for corporates to put sustainable management into practice, and stable operating performance is the foundation of corporate governance. The consolidated operating results, regional performance, and sales value and volume of the last two years are as follows:

1. Operating results

The Group’s consolidated operating revenue for 2024 is NT$3,600,574 thousand, representing a decrease compared with NT$3,877,137 thousand in 2023, mainly due to a decline in instrument sales volume in 2024. Net profit for the year 2024 is NT$182,577 thousand, down from NT$425,238 thousand in 2023, primarily as a result of the decline in operating revenue. For more detailed financial figures, please refer to the Group’s 2024 Consolidated Financial Statements.

Operating Results in the Last Two Years		
(Unit: NT$ thousands)		
Item	**2024**	**2023**
Operating revenue	3,600,574	3,877,137
Gross profit	759,125	1,068,160
Operating expenses	520,415	454,684
Operating profit	238,710	613,476
Profit before income tax	223,007	559,430
Profit for the year	182,577	425,238

2. Regional performance

Regional Performance in the Last Two Years				
(Unit: NT$ thousands; %)				
	2024		2023	
	Amount	Ratio	Amount	Ratio
Taiwan	3,523,648	97.86	3,825,256	98.66
China	64,637	1.80	43,817	1.13
Others	12,289	0.34	8,064	0.21
Total	3,600,574	100.00	3,877,137	100.00

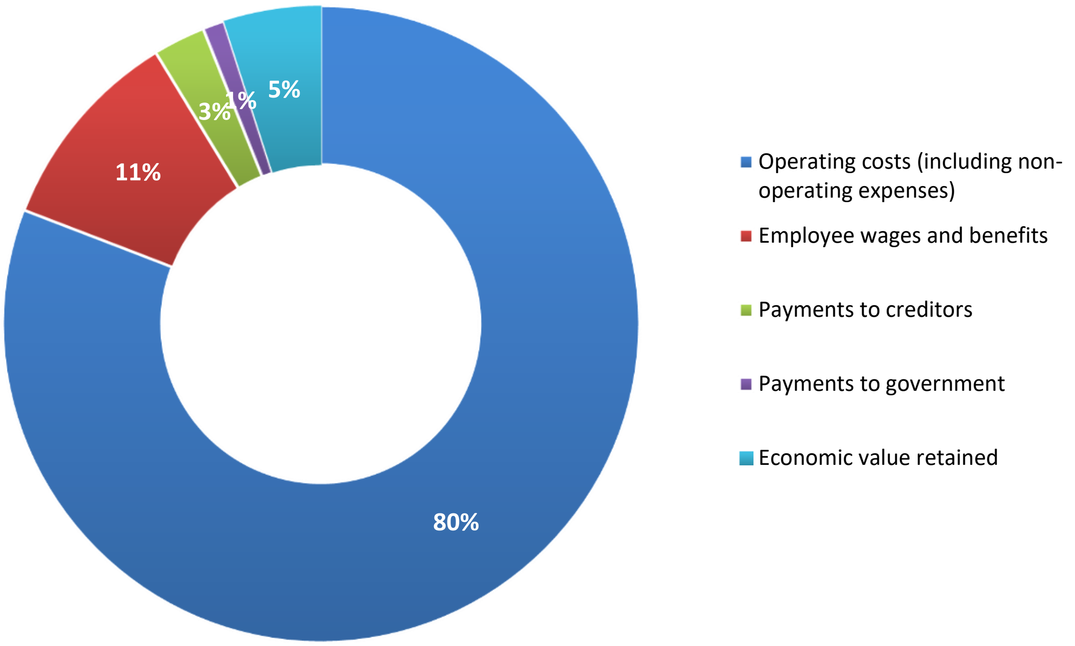
3. Sales value and volume

Sales Value and Volume in the Last Two Years								
(Unit: Piece, set; NT$ thousands)								
Year	2024				2023			
Domestic sales / Exports	Domestic sales		Exports		Domestic sales		Exports	
Major products (or by departments)	QTY	Amount	QTY	Amount	QTY	Amount	QTY	Amount
Sales of medical instruments and equipment	38,599	1,030,934	0	6,023	40,618	1,383,834	0	9,188
Rental revenue	41	1,020,714	6	63,532	43	1,138,929	5	35,429
Service revenue	0	321,768	0	7,371	0	306,104	0	7,264
Sales of medicines and health supplements and other revenues	77,404,790	1,150,232	0	0	71,757,898	996,389	0	0
Total	77,443,430	3,523,648	6	76,926	71,798,559	3,825,256	5	51,881
Analysis of changes: Sales of medical instruments and equipment decreased in 2024, mainly attributable to a lower volume of high-priced instruments sold. Rental revenue decreased in 2024, primarily due to a reduction in collaborative projects with hospitals. Service revenue increased in 2024, mainly due to growth in maintenance service income. Sales of medicines and health supplements and other revenues increased in 2024, primarily due to stable growth in the sales of medicines and health supplements.								

Distribution of Economic Value Generated

CHC strongly believes that the sustainable development of a corporation requires solid economic foundations. Allocating the economic value adequately to create the ultimate benefits for stakeholders is also an important issue. The Group prepares an annual budget at the beginning of each year and conducts internal performance reviews at the middle and end of the year to manage overall operational performance and maximize corporate benefits.

The direct economic value generated by the Group in 2024 (including operating revenue and non-operating income) is NT$3,696,120 thousand, after deducting operating costs (including non-operating expenses) of NT$2,988,233 thousand, employee wages and benefits of NT$386,528 thousand, payments to creditors of NT$98,352 thousand, payments to government of NT$40,430 thousand, the total economic value distributed is NT$3,513,543 thousand, and the economic value retained before earnings distribution for the year is NT$182,577 thousand, and then the economic value retained is distributed according to the Group's dividend policy in reward for the long-term support of shareholders.



Breakdown of economic value distributed in 2024

The proposal for 2024 earnings distribution has been approved by the Board of Directors on March 12, 2025, and ratified by the Annual Shareholders' Meeting on June 4, 2025, to distribute a cash dividend of NT$1.51 per share. Due to the change in the number of outstanding shares, CHC has announced to adjust the cash dividend to NT$1.35675896 per share on June 10, 2025.

Tax Governance

CHC Healthcare Group consistently adheres to the principle of lawful compliance and integrity in tax declaration and payment. In accordance with the tax regulations of each country where the Group operates, tax filing and payment are conducted responsibly to fulfill the Group's corporate citizenship obligations.

The Chairman bears ultimate responsibility for the Group's tax governance mechanism, approving tax policies and ensuring their effective implementation. The Chief Financial Officer (CFO) serves as the highest decision-maker for major tax management matters, while the Accounting Department is responsible for executing tax operations and managing tax risks. The Accounting Department reports all significant tax issues to the CFO for review and approval to ensure robust tax governance. The Group's tax payment status for the past two years is as follows:

Tax Payment in the Last Two Years

(Unit: NT$ thousands)

Item	2024	2023
Profit before income tax	223,007	559,430
Income tax expense	40,430	134,192
Effective tax rate*Note 1	18.13	23.99
Income tax paid	190,562	107,891

*Note 1: Effective tax rate = Income tax expense ÷ Profit before income tax for the year

To effectively manage tax risks, the Group's Finance and Accounting Departments identify, assess, respond to, and manage tax compliance requirements in both major transaction decisions and day-to-day accounting operations. In cases of uncertainty, the Group seeks clarification from tax authorities to minimize potential risks arising from regulatory misinterpretation, and applies appropriate measures to evaluate, manage, and control such risks. The Group prudently evaluates the tax implications of all significant transactions and decisions and, where necessary, engages or consults external professional tax or legal advisors to further mitigate tax risks. In line with global anti–tax avoidance initiatives and relevant regulatory requirements, the Group refrains from conducting tax planning through the improper use of tax havens or low-tax jurisdictions for the purpose of tax avoidance.

Future Development Strategy

1. New products and services to be developed
   (1) Promotion of medical service cooperation (equipment collaboration and technology transfer training)
   (2) Expansion of the scope of application in cooperating medical departments at medical institutions
   (3) Expansion of the cooperation with chain pharmacy channels
   (4) Development of irradiation business
   (5) Development of elderly care business
   (6) Investment in the veterinary care business

2. Short-term business development plan
   (1) Continue to introduce the latest medical equipment and technology, seek products required by other medical specialties in the meantime to develop a diversified product sales business, and increase product market share.
   (2) Continue to train professional technical teams and expand medical management services at home and abroad, improve medical quality with timely and effective services to become the best partner of customers, and generate recurrent income for the Group.
   (3) Accelerate the expansion of the number of chain pharmacy channels through resource integration, and enhance the scale and level of existing physical and online pharmacy channels with the Group’s experience in the medical industry channel.
   (4) Invest in the irradiation business, emphasizing safety, efficiency, and residue-free processes, to provide photon/electron irradiation services that meet the sterilization needs of domestic industries.

3. Long-term business development plan
   (1) Expand business operations into Asia-Pacific medical markets, integrate upstream and downstream resources, distribute the most comprehensive product line, and keep improving high-value-added medical technology and services to consolidate the medical service's leading position in the Asia-Pacific region.
   (2) Externally continue to introduce competitive products to expand service coverage and increase the number of strategic partners to achieve economic scale, and internally focus on resource integration to improve business performance and continue to lead the industry.
   (3) Promote the application of irradiation technology, gradually increasing equipment utilization to meet the industry demand of food, general consumer goods, medical, aerospace, and electronics, and secure a pioneering position in sustainable irradiation technology services in the domestic market.
   (4) Develop the elderly care business involving elderly fitness, daycare, senior housing, and residential institutions, focus on preventive medicine and continuing care, reduce the time confined to bed, and enable seniors to enjoy independent and joyful lives.

Procurement

CHC classifies procurement into foreign and domestic procurement and has clear procurement procedures. All procurements shall be implemented under the purchase requisition and purchase order processes and shall obtain approval following the authority matrix. The Administration Dept. is responsible for foreign procurement, which mainly includes high-end medical equipment, medical supplies, and skincare and cosmetic products distributed by the Group. Overseas suppliers are primarily from Sweden, Germany, Singapore, Israel, and other regions. Domestic procurement is handled by the subsidiary's procurement unit, which cooperates with chain pharmacy channels, and the Group’s Human Resource & General Affairs Dept. The procurement categories include medicines, health supplements, and office supplies.

Most of the medical equipment distributed by CHC are international brands in Europe and the United States, and the Group's locations of operations are in Taiwan, China, and Indonesia, which are Asia countries, so the proportion of purchases from operating bases is relatively limited. Since the operating revenue from Taiwan in 2024 accounts for more than 98% of the total amount of CHC, Taiwan is defined as the location of significant operations.

In 2024, approximately 60% of procurement expenditures are from local suppliers at the location of significant operations. It is primarily due to the increased demand for medicines and health supplements following the Group's acquisition of a chain community pharmacy channel. As many of these suppliers are local suppliers in Taiwan, the volume and value of procurement from domestic suppliers remains above 50% in 2024.

Involvement in External Associations

CHC pays close attention to the latest industrial dynamics at home and abroad and actively participates in public associations related to its business to communicate with peers and understand the most recent developments in the industry, ensuring the Group makes effectively responds to major domestic and foreign initiatives and actions, ultimately enhance the enterprise competitiveness.

The Group is now a member of the Institute for Biotechnology and Medicine Industry (IBMI). IBMI is a communication platform for domestic industrial groups, medical institutions, government units, public associations, and academic and research institutions. In recent years, it has been committed to assisting the government in building a friendlier environment for industrial growth and has played an important civic role in the development of Taiwan's biotechnology industry. In addition, The Company is a member of the Taoyuan Enterprise Chamber, the subsidiaries Chiu Ho Medical, Tomorrow Medical System Co., Ltd. (Tomorrow Medical), and Chiu Ho Scientific Co., Ltd. (Chiu Ho Scientific) are all members of the Taipei Medical Instruments Commercial Association.

The above external associations provide members with instant communication service platforms, host various events to help members share knowledge and resources, and increase the opportunities for members' external strategic alliances to improve the position of Taiwan distributors in the industry. The Group promptly exerts its core expertise in various external associations to help the promotion of supply chain management. In the future, the Group will keep participate in relevant public associations and international organizations in the industry, strive to serve as executive director or supervisor in the organization, or serve as the convener or deputy convener in various professional committees of the public associations, hoping to fully communicate with and learn from peers through the way of being an industry leader.

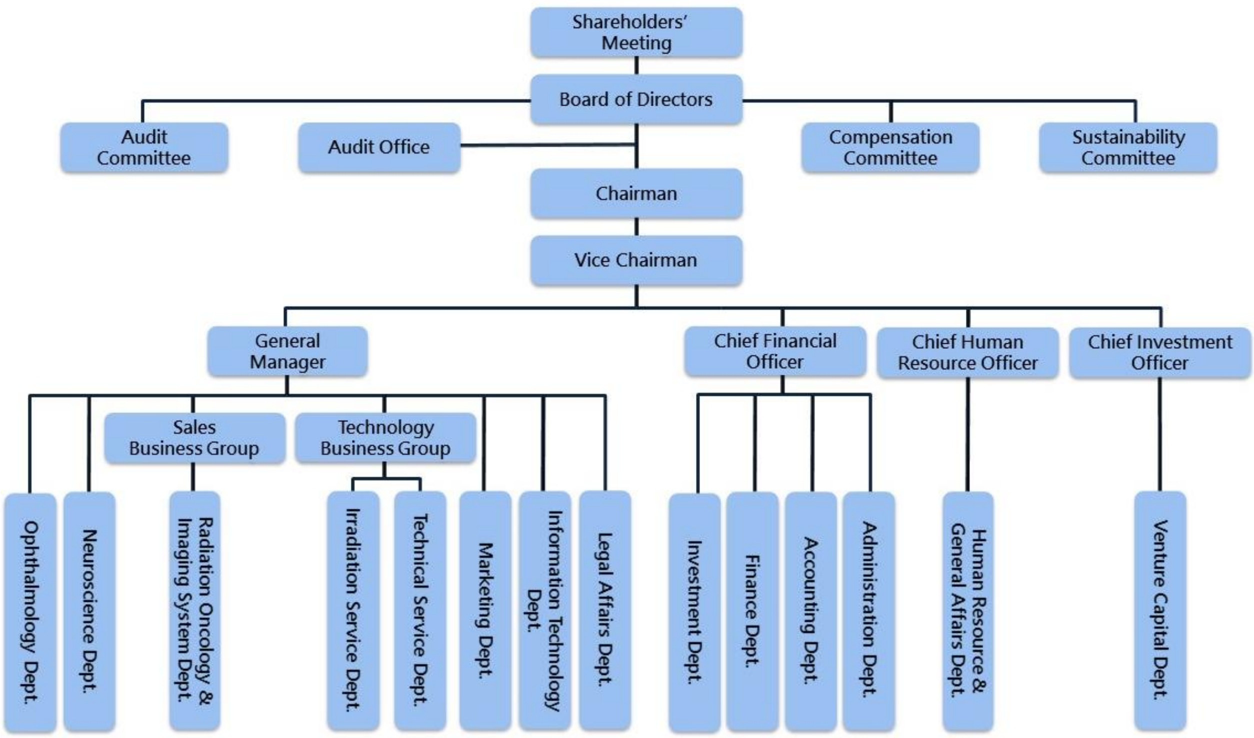
Financial Assistance from Government

Shin-Ho Instruments Co., Ltd. (Shin-Ho Instruments), a wholly-owned subsidiary of CHC, was approved by the Science Park Council of the Ministry of Science and Technology (currently known as the Science Park Council of the National Science and Technology Council) in 2020 to develop the irradiation business in Tongluo Science Park. In 2021, the subsidiary applied for the Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan in Three Major Programs for Investing in Taiwan by InvesTaiwan of the Ministry of Economic Affairs (MOEA). In meeting the common qualifications of Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan and the specific qualifications of Manufacturing Industry - companies that invest/expand some production lines must have intellectual technology elements or intelligent functions, and belong to the 5+2 industrial innovation field, the MOEA issued a letter of approval for the criteria of Taiwanese business on October 15, 2021.

If Shin-Ho Instruments tends to apply for a bank loan through the action plan in the future, the government will use the National Development Fund to provide subsidies on the interest rate, and the subsidy claim period will expire at the end of December 2026. The long-term deferred revenue - government grants recognized by the Group for 2024 is NT$32,511 thousand.

1.2 Corporate Governance

Corporate Structure



Main Functions of Each Department	
Audit Office	Internal control system planning, execution, and revision. Annual audit plan formulation and execution. Unit self-assessment plan formulation and execution. Other matters are enforced under the law.
Venture Capital Dept.	Domestic and foreign business expansion.
Human Resource & General Affairs Dept.	Human resources planning, recruitment, and education training program planning and execution. General affairs management. Domestic procurement, and material parts and consumables price negotiation and procurement.
Administration Dept.	Administrative supports. Foreign procurement, and material parts and consumables price negotiation and procurement. GMP of foreign medical equipment suppliers and product licenses application from the Ministry of Health and Welfare (MOHW) to ensure products are imported and installed in compliance with relevant domestic regulations.
Accounting Dept.	Accounting work. Tax work. Annual budget planning and compiling. Financial statement preparation.

Main Functions of Each Department	
Finance Dept.	Financial management and capital allocation planning and execution. Investment project planning and execution. Customer credit status evaluation and limit amount control. Shareholders' equity management.
Investment Dept.	Investor relations establishment and maintenance, visitor reception, and news report handling and tracking. Financial evaluation of various projects, pre-investment processing, investment contract drafting, and post-investment tracking to provide timely updates for management decision-making.
Legal Affairs Dept.	Contacts review, legal consultation, litigation handling, and legal compliance.
Information Technology Dept.	Information system planning and implementation, data protection security control, procedures supervision and review, and information system software and hardware improvement.
Marketing Dept.	Product marketing advertisement, product catalog publication, and business units' marketing activity support. Corporate visual design, website planning and maintenance.
Technical Service Dept.	Equipment installation, education, and training. Equipment testing and maintenance.
Irradiation Service Dept.	Photon/electron irradiation service, including sterilization for medical equipment, foods, and other consumer goods, industrial testing needs for aviation and low Earth orbit satellites.
Radiation Oncology & Imaging System Dept.	Business expansion, market development, product sales, and customer service.
Neuroscience Dept.	Business expansion, market development, product sales, and customer service. Equipment installation, education, and training. Equipment testing and maintenance.
Ophthalmology Dept.	Business expansion, market development, product sales, and customer service. Equipment installation, education, and training. Equipment testing and maintenance.

Highest Governance Body

CHC's highest governance body is the Board of Directors of its parent company, and Chairman Pei-Lin, Lee serves as the chair of the highest governance body. The members of the Board of Directors are elected at the shareholders' meeting by the Procedures for Election of Directors. The qualifications and election of independent directors also comply with the provisions of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies to ensure their independence. The Board of Directors serves for a three-year term. The 7th term Board of Directors has been elected on June 12, 2023, effective from from June 12, 2023, to June 11, 2026. The Company has taken out liability insurance for the business scope of directors and managerial officers to reduce the risk of significant damage to the Group and investors due to business errors and to mitigate unknown risks and conflicts of interest borne by the enterprise.

1. Nomination and election of the Board of Directors

   There are seven positions on the Company's Board of Directors, including four directors and three independent directors. Since 2020, the Company has adopted the candidate nomination system to elect director candidates as board members. The Company first recommends director and independent director candidates to the Board of Directors following the independence standards set by the competent authority and its Procedures for Election of Directors and then submits the list of director and independent director candidates to the shareholders' meeting for election.

   At present, all seven members of the Board of Directors possess outstanding professional expertise and extensive practical experience, enabling them to make optimal judgments and supervise the Group's major decisions. Given that the Group is in the biotechnology and medical care industry, four directors among the board members have medical-related knowledge, one director has a financial and accounting background, one director has experience in international trade, and one director has medical information technology expertise, which is in line with the overall operational development needs and competency of functional committees. The Company also pays attention to gender equality in the composition of the Board of Directors. However, it is challenging to find female directors in the medical industry. With this goal in mind, the Company has been making continuous efforts to identify female candidates who meet both the industry background and professional requirements. At the shareholders' meeting held on June 12, 2023, Ms. Chi, Chi was elected as a director of the 7th Board of Directors, bringing female representation to the Board. Looking ahead, the Company aspires to further increase the number of female directors in the next Board election, with the aim of enhancing gender diversity and promoting a sound governance structure.

2. Independence and diversity of the Board of Directors

The professional qualifications and independence of the 7th term Board of Directors are listed as follows:

Name	Professional qualifications and experience	State of independence	Number of other public companies at which the individual is concurrently serving as an independent director
Chairman: Pei-Lin, Lee	Experience as leader of TWSE/TPEx listed company, senior leader in the biotechnology medical industry, currently Chairman of the Company, its subsidiaries, and second-tier subsidiaries, where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Father-son relationship with Vice Chairman Tien-Ying, Lee.	0
Vice chairman: Tien-Ying, Lee	Passed national physician's examination, possesses leadership experience in the biotech medical industry, currently Superintendent of Yee Zen General Hospital, where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Father-son relationship with Chairman Pei-Lin, Lee.	0
Director: Chun-Shung, Huang	Passed national physician's examination, former superintendent of Mackay Memorial Hospital, possesses senior leadership experience at hospitals and clinics, currently Head Consultant / Physician of Department of Orthopaedics at Yee Zen General Hospital, where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Uniformly in compliance with legal requirements	0
Director: Yung-Shun, Chuang	Experience as leader of TWSE/TPEx listed company, possesses information technology industry senior leadership experience, currently Chairman of AAEON Technology Inc., where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Uniformly in compliance with legal requirements	2
Independent director: Geng-Wang, Liaw	Passed national physician's examination, senior professional experience at hospitals and clinics, currently Deputy Superintendent of Yee Zen General Hospital, convener of the Company's compensation committee and sustainability committee, where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Complies with the requirements of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies	0
Independent director: Chi, Chih	Chairman / GM of U-Super Technology Co., Ltd., convener of the Company's sustainability committee, where none of the circumstances	Complies with the requirements of Article 3 of the Regulations Governing Appointment of	0

Name	Professional qualifications and experience	State of independence	Number of other public companies at which the individual is concurrently serving as an independent director
	in the subparagraphs of Article 30 of the Company Act applies.	Independent Directors and Compliance Matters for Public Companies	
Independent director: Ming-Liang, Kao	Holds a CPA license, accountant at Ta-Tung CPA & Associates, possesses senior professional experience in accounting, convener of the Company's audit committee, where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Complies with the requirements of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies	1

The diversity policy of the 7th term Board of Directors are listed as follows:

Name	Basic composition		Professional knowledge and skills			Complies with abilities that must be possessed by the Board of Directors (*Note 1)
	Gender Age	Nationality	Professional background	Professional skills	Industrial experience	
Chairman: Pei-Lin, Lee	Male, 71 to 80 years old	ROC	Biotechnology and medical care	Experience as leader of TWSE/TPEx listed company	Department of Medical Imaging (formerly known as Department of Radiology), National Taiwan University Hospital Chairman of the Company and its subsidiaries and second-tier subsidiaries	1 2 3 4 5 6 7 8
Vice chairman: Tien-Ying, Lee	Male, 41 to 50 years old	ROC	Biotechnology and medical care	Passed national physician's examination	Chief Resident, Division of General Medicine / Division of Infectious Diseases, Mackay Memorial Hospital Superintendent, YeeZen General Hospital	1 2 3 4 5 6 7 8
Director: Chun-Shung, Huang	Male, 81 to 90 years old	ROC	Biotechnology and medical care	Passed national physician's examination	Superintendent, Mackay Memorial Hospital Head Consultant / Physician, Department of Orthopaedics, YeeZen General Hospital	1 2 3 4 5 6 7 8
Director: Yung-Shun, Chuang	Male, 71 to 80 years old	ROC	Infomation technology	Experience as leader of TWSE/TPEx listed company	EMBA, National Taiwan University Chairman, AAEON Technology Inc.	1 2 3 4 5 6 7 8
Independent director: Geng-Wang, Liaw	Male, 41 to 50 years old	ROC	Biotechnology and medical care	Passed national physician's examination	Deputy Superintendent, YeeZen General Hospital	1 2 3 4 5 6 7 8
Independent director: Chi, Chih	Female, 61 to 70 years old	ROC	International trade	40 years of experience in import and export trade	Chairman / GM, U-Super Technology Co., Ltd. Director / AVP / COO for Taiwan Market, Ascend Technology Co., Ltd.	1 2 3 4 6 7 8
Independent director: Ming-Liang, Kao	Male, 71 to 80 years old	ROC	Accounting	Holds a CPA license	Accountant, Ta-Tung CPA & Associates	1 2 4 6 7 8

*Note 1: The abilities must be possessed by the Board of Directors are as follows: 1. Ability to make sound business judgments / 2. Ability to perform accounting and financial analysis / 3. Ability to manage a business / 4. Ability to perform crisis management / 5. Knowledge of the industry / 6. Has an international market perspective / 7. Has leadership ability / 8. Has decision-making ability

3. Operation of the Board of Directors

The Company has adopted the Rules of Procedure for Meetings of Board of Directors to establish a sound governance system for the Board of Directors, improve supervision functions, and strengthen management capabilities. Board meetings convene at least once every quarter. There are five meetings held in 2024. The actual attendance rate of the seven directors has reached 80~100%. For any of the agenda items at the meeting has a personal interest in any director or the juristic person represents, the Company's Rules of Procedure for Meetings of Board of Directors stipulate that the director shall be recused from the discussion involving conflicts of interest, and shall not exercise voting rights.

To strengthen corporate governance and improve the effectiveness of the Board of Directors, the Company has also established functional committees, including the Audit Committee (currently the 3rd term), the Compensation Committee (currently the 6th term), and the Sustainability Committee (currently the 2nd term). The chairs and members of the above-mentioned functional committees are all served by three independent directors. In 2024, the Audit Committee convenes five meetings, the Compensation Committee convenes three meetings, and the Sustainability Committee convenes three meetings, with all three independent directors maintaining a 100% attendance rate.

Through the running of various functional committees, the Board of Directors supervises the relevant decision-making and execution of the Group's operations in all aspects. For example, the Compensation Committee is responsible for reviewing remuneration for executives and performance evaluation of the Board of Directors. The Audit Committee is in charge of reviewing quarterly financial statements and related proposals on internal control system implementation, business, and finance. The Sustainability Committee plays the role of reviewing the Group's annual ESG plans and results.

Each functional committee regularly reports to the Board of Directors on various material issues every year, allowing board members to have a prompt understanding of the Group's operating conditions to make more immediate decisions. For occasional critical concerns, the Group adopts a step-by-step reporting process and decides whether to further convene the board meeting following the seriousness of the circumstances and relevant regulations and legal norms. In 2024, the Group does not experience any occasional critical concerns that are severe enough to have the necessity to notify the Board of Directors.

4. Establishment of collective knowledge for the Board of Directors

To enhance the professional capabilities of the Board of Directors, the Company arranges annual training courses for all board members. Each director has completed at least six hours of training, which helps them stay familiar with and well-informed about issues such as regulatory dynamics, information and communications security, corporate management, and the prevention of insider trading. This ensures that directors possess the professional knowledge and critical skills aligned with the Group’s operational development needs.

In addition, on May 2, 2024, a three-hour course has been arranged for all board members, delivered by an external lecturer, on the topic of 2030/2050 Net-Zero Emissions - Sustainability Challenges and Opportunities for Global Enterprises, in order to enhance the collective knowledge of the Board of Directors on sustainable development and to strengthen its competency in corporate sustainability.

5. Performance evaluation for the Board of Directors

The Company has established the Regulations for Board of Directors’ Performance Evaluation, which is resolved by the Board of Directors. According to the regulations, internal performance evaluations for the Board of Directors and functional committees (including the Audit Committee, the Compensation Committee, and the Sustainability Committee) are conducted annually, and external evaluations are required at least once every three years by an external independent professional institution or a panel of external experts and scholars. Relevant results shall be submitted to the Compensation Committee and the Board of Directors for review and further improvement. The performance evaluation results of the Company's Board of Directors shall be a reference for election or nomination, and the performance evaluation results of individual directors shall be a reference for determination of their remuneration.

The Company conducted its most recent external performance evaluation for the Board of Directors and functional committees by entrusting the Taiwan Corporate Governance Association in December 2024.

The status of the 2024 performance evaluation on the Board of Directors and functional committees is as follows. The performance evaluation results have been reviewed and resolved by the Compensation Committee on March 12, 2025, and submitted to the Board of Directors.

Evaluation period	Evaluation cycle	Evaluation scope	Evaluation method	Evaluation contents
Once per year	January 1 to December 31, 2024	Board of Directors	Self-evaluation of the Board of Directors	Degree of engagement in the Company's operation, quality of the Board of Directors' decision-making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control.
Once per year	January 1 to December 31, 2024	Individual board members	Self-evaluation of board members	Alignment with the Company's goals and mission, awareness toward directors' responsibilities and duties, degree of engagement in the Company's operation, management of internal relations and communication, expertise and continuing education of directors, and internal control.
Once per year	January 1 to December 31, 2024	Functional committee (Audit Committee)	Self-evaluation of board members	Degree of engagement in the Company's operation, awareness toward functional committees' responsibilities and duties, quality of the functional committees' decision-making, formation of the functional committees and election of members, and internal control.
Once per year	January 1 to December 31, 2024	Functional committee (Compensation Committee)	Self-evaluation of board members	Degree of engagement in the Company's operation, awareness toward functional committees' responsibilities and duties, quality of the functional committees' decision-making, formation of the functional committees and election of members, and internal control.
Once per year	January 1 to December 31, 2024	Functional committee (Sustainability Committee)	Self-evaluation of board members	Degree of engagement in the Company's operation, awareness toward functional committees' responsibilities and duties, quality of the functional committees' decision-making, formation of the functional committees and election of members, and internal control.
Once every three years	December 1, 2023 to November 30, 2024	Board of Directors, Individual board members, Functional committees	Entrust external independent professional institution	Board of Directors' composition and division of responsibilities, guidance and supervision, authorization and risk management, communication and collaboration, self-discipline and continuous improvement.

6. Remuneration policies for the Board of Directors and senior executives

The Director's remuneration of the Company includes base remuneration, severance pay and pension, remuneration for directors, business execution expense, and compensation received as employees. The director's remuneration payment policy is a fixed remuneration amount to each director based on one's participation in the

Board of Directors and various functional committees. The total remuneration paid to the directors shall be reported to the shareholders' meeting annually based on the Company's actual operating results and then based on the internal evaluation of the Board of Directors, self-evaluation by individual board members, evaluation by appointed external professional institutions, or other appropriate methods to determine the remuneration paid to each director.

The compensation of the Company's senior executives includes salary, severance pay and pension, bonus, special expenses, and employee compensation. The Company has adopted Managerial Officer Performance Appraisal and Compensation Standards, which are entered into force after being resolved by the Board of Directors. The payment of compensation shall reasonably tie to the extent of goal achievement of the managerial officer and take into account criteria such as operating revenue or profit contribution created by the personal efforts of the managerial officer. Furthermore, to ensure that managerial officers take unexpired risks and other factors into consideration, the Company has implemented a deferred compensation mechanism for variable pay. This approach encourages a long-term perspective and helps prevent managers from engaging in actions that exceed the Company's risk tolerance in pursuit of personal gains, thereby reducing the risk of corporate losses resulting from inappropriate managerial decisions.

In addition, the Company has established the position of chief corporate governance officer in accordance with relevant laws and regulations to enhance sustainable performance and development. The Board of Directors resolved the appointment of CFO Ms. Evangeline Chen as the chief corporate governance officer, responsible for the management and execution of corporate governance and sustainability-related initiatives. To strengthen the connection between compensation and sustainability performance and deepen the Company's commitment to ESG implementation, the Company has integrated corporate sustainability targets into Ms. Chen's annual performance appraisal, assigning a 10% weight linked to Corporate Governance Evaluation to rank within the top 20% of all evaluated TWSE-listed companies. Additionally, a 5% weight is tied to the publication of the annual sustainability report, with the target of regularly publishing both Chinese and English versions.

Risk Management

CHC manages relevant risks in its business operations and establishes an appropriate risk management mechanism according to its nature by conducting various risk monitoring based on hazard risk, strategic and business risk, financial risk, compliance risk / contractual risk, other risks, and future business strategies. Each responsible unit is in charge of collecting information on the loss caused by risk events and analyzing and reviewing the loss as a reference for enhancing the internal control system. The Audit Office is responsible for supervising internal control tasks and reporting the results of internal audits at each meeting of the Audit Committee and board meeting for board members' review to reduce overall business risks. There are no significant changes to the Group's operating scale, capital structure, ownership, or supply chain in 2024. Relevant units responsible for the execution of CHC's risk management are as follows:

1. Audit Office

   The Audit Office is an independent unit that reports directly to the Board of Directors. Based on risk assessment results, it finalizes audit projects and drafts the annual audit plan, then executes following the resolution of the Board of Directors. It also conducts objective and independent audits of the risk management mechanism and provides prompt recommendations for improvements to ensure its effective operation.

2. Human Resource & General Affairs Dept. / Administration Dept.

   The Human Resource & General Affairs Dept. and Administration Dept. are responsible for the Group's procurement and have adopted specific criteria for supplier selection. For foreign suppliers, the responsible unit will take the initiative to remind them to renew the contract before expiring. If there is any hesitation about the partnership or the contract may be terminated, the situation will be reported to the regular review meeting in advance to seek for solution. And other competitive brands will be considered in case of emergency to reduce business risk. For major domestic procurement categories and bulk purchasing, there are always more than two suppliers. In the event of an emergency or if one of the suppliers is found inconsistent with the Group's management criteria, a substitute will be replaced in time.

3. Finance Dept. / Accounting Dept.

   The Finance Dept. and the Accounting Dept. are responsible for the Group's financial planning and management, providing transparent and credible financial information, conducting operational analysis, and proposing improvement plans. It focuses on safety, liquidity, and profitability to establish hedging strategies under the risk control and supervision mechanism to reduce financial risks.

4. Investment Dept.

   The Investment Dept. is responsible for establishing communication channels with investors to ensure the accuracy and timeliness of information disclosure, thereby reducing reputational risks. It is also responsible for the financial evaluation of investment projects and the tracking of post-investment financial performance to mitigate operational risks.

5. Legal Affairs Dept.

   The Legal Affairs Dept. is responsible for legal risk management, reviewing contracts, providing internal legal advice, and handling disputes and litigation to reduce legal risk.

6. Information Technology Dept.

   The Information Technology Dept. is responsible for planning and enhancing the Group's information management system and establishing network information security control and protection measures to reduce information security risk.

7. Risk Management Committee (task force)

   The Policies and Procedures for Risk Management resolved by the Board of Directors covers risk identification, risk assessment, risk monitoring, risk reporting, and risk response for risks such as hazard risk, strategic and operational risk, financial risk, and compliance risk / contractual risk. The Risk Management Committee refers to the annual material topics identified by the Sustainability Committee, takes CHC (including the Company and all the subsidiaries) as the boundary, and conducts risk assessment on environmental (E), social (S), and corporate governance (G) issues related to corporate operations under the materiality principle as a reference for risk management and operational strategies. The risk management process includes risk identification, risk measurement, risk monitoring, risk reporting, and risk response. The Risk Management Committee's implementation status in 2024 is summarized as follows:

Risk category		Risk identification	Risk measurement / monitoring	Risk response
Environment (E)	Climate Change risks	Acute risks (Extreme weather events)	◆ Establish emergency response management procedures and effectively implement them when extreme weather events (e.g., typhoons, heavy rainfall) occur as well as review and revise these procedures as needed. ◆ Install UPS equipment and remote backup system, and regularly perform testing and maintenance. A dedicated person will be assigned to verify the condition of the	No material risks were identified upon implementation of the monitoring procedures set out in the left column.

Risk category		Risk identification	Risk measurement / monitoring	Risk response
			equipment in the event of extreme weather events. ◆ Take out commercial insurance to mitigate losses caused by extreme weather events.	
Social (S)	Hazard risks	Global financial crises	◆ Closely monitor global political and economic updates.	No material risks were identified upon implementation of the monitoring procedures set out in the left column.
Corporate Governance (G)	Strategic & operational risks	Information security risks	◆ Educate employees not to open emails from unknown sources or click on phishing websites to prevent the Company from hacking threats.	No material risks were identified upon implementation of the monitoring procedures set out in the left column.
		Investment risks	◆ Conduct investment evaluations of innovative businesses and pre- and post-investment analyses of subjects, to assess whether the implementation of investment aligns with expectations.	
	Financial risks	Foreign Exchange risks	◆ Track exchange rate trends in 2024 to assess if there are any material risks to the Company.	No material risks were identified upon implementation of the monitoring procedures set out in the left column.
		Valuation risks	◆ Review quarterly financial asset valuations for 2024 to assess if there are any risks significantly affecting the Company's financial operations.	
		Central bank interest rate adjustments	◆ Track interest rate fluctuations in 2024 to assess if there are any risks significantly affecting the Company.	
	Compliance risks / Contract risks	Compliance risks	◆ Understand and comply with newly promulgated laws and regulations related to listed companies to protect the Company from penalties for non-compliance.	No material risks were identified upon implementation of the monitoring procedures set out in the left column.
		Contract risks	◆ Effectively control and manage contract delivery schedules to prevent the Company's non-compliance with contract terms and conditions caused by delays from global shipping disruptions.	
Others	Other risks	No material risks identified	NA	NA

CHC always values integrity, abides by laws and business ethics, and pursues financial performance through high-quality products and services, and effective operating strategies. While committing to the core business to accomplish corporate economic responsibility, the Group also works on fulfilling environmental and social responsibilities to incorporate ESG into the corporate sustainability strategy and strive to balance the interests of various stakeholders.

Legal Compliance

CHC follows the laws and regulations governing listed companies established by the government and competent authorities, for example, Company Act, Securities and Exchange Act, Business Entity Accounting Act, Income Tax Act, and International Financial Reporting Standards. For colleagues in various departments, the Group conducts legal compliance dissemination timely and offers education courses and external training information for catching up on the latest regulatory information related to their duty to ensure all staff abides by the law.

CHC distributes high-end medical equipment under product import/export and MOHW's medical-related laws and regulations. Its subsidiaries in Guangzhou, Beijing, Shenyang, Jakarta, and London also comply with local laws and regulations. In 2024, there aren't any critical violations of laws and regulations resulting in huge fines for the Group.

In addition, the Group has adopted Sustainable Development Best Practice Principles after being resolved by the Board of Directors, declaring the four principles to fulfill sustainable development. The Group also hopes to encourage all colleagues to be more sustainable, put sustainable development into practice in daily operations, and eventually internalize sustainability into corporate culture. The principles of implementing sustainable development are as follows:

1. Implementing corporate governance
   Directors shall exercise the due care of good administrators in guiding the Group to enhance corporate governance, comply with laws and regulations, and adequately respond to the important sustainable development issues stakeholders are concerned about, to ensure the thorough implementation of sustainable development policy.

2. Fostering a sustainable environment
   The Group devotes to utilizing energy efficiency and using renewable materials which have a low impact on the environment, materializing energy conservation and carbon reduction, minimising the impact of business operations on the environment, to conserve the earth in its efforts.

3. Preserving public welfare
   The Group respects human rights, creates a safe working environment, provides employees with remuneration and benefits following laws and regulations, establishes effective training programs to foster career skills, offers communication channels, takes responsibility for its products and services, values marketing ethics, complies with relevant laws, regulations, and international guidelines, and must not infringe on consumer rights and interests, maintains positive public relations, engages and encourages employees to participate in social welfare activities, and promotes volunteer services.

4. Enhancing disclosure of sustainable development information
   The Group prepares the annual sustainability report and discloses the implementation status of fulfilling sustainable development and future improvements and goals to improve external information transparency.

CHC believes an enterprise must take environmental, social, and governance responsibilities in daily operations while creating profits. The Group complies with the International Covenants on Human Rights concerning rights such as gender equality, the right to work, and prohibition of discrimination on human rights issues, forbids the use of child labor, eliminates all forms of forced labor, and ensures that its human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status on labor issues, and prohibits all forms of corruption and bribery on anti-corruption issues.

CHC also has adopted management measures including the Code of Ethical Conduct, Procedures for Ethical Management and Guidelines for Conduct, and Whistleblowing System, asking all employees to strictly abide by legal norms and professional ethics, requiring suppliers to cooperate with policies regarding human rights and environment, to protect social welfare and implement sustainable development.

1.3 Sustainability Commitments and Practices

Dedicated Unit

Organization of Sustainability Committee

To foster the sound management and implementation of corporate sustainability and enhance the governance structure, CHC Healthcare Group has established the Sustainability Committee. The committee is a functional committee composed of three independent directors. CHC has also adopted the Sustainability Committee Charter to formalize its operations.

The Board of Directors of the Company has delegated responsibility for managing CHC's economy-, environment-, and social-related impacts to the Sustainability Committee. The Sustainability Committee consists of five working groups, including corporate governance, customer service, employee welfare, environmental sustainability, and social participation. Leaders of each working group are acted by senior executives or department heads, and group members are gathered from colleagues of relevant departments. In this way, CHC can integrate its sustainability commitments and operating strategies effectively. Policies and promises can be top-down implemented, and feedback from stakeholders can be bottom-up communicated. Each working group under the Sustainability Committee is responsible for executing impact management according to its competency, including the assessment of material topics by regular review of actual and potential impacts yearly and communication on stakeholders' issues of concern on occasion to integrate the resources from various departments and incorporate ESG as a part of the corporate sustainability strategy through full two-way communicate.

CHC's Sustainability Committee convenes at least once a year and is responsible for formulating annual ESG plans based on the Group's business strategy and tracking implementation results, reviewing corporate sustainability policies, systems, and management guidelines, and assigning working groups to prepare and publish annual sustainability reports. The committee regularly reports its implementation status and the status of communication with CHC's various stakeholders to the Board of Directors in the first and third quarters of every year. Moreover, starting from preparing the 2023 sustainability report in 2024, the report must not only be reviewed by the responsible supervisors but also be submitted to the Board of Directors for approval before its publication.

The Company's Board of Directors regularly listens to reports from the Sustainability Committee and management team, bearing responsibility for the approval of annual sustainability report, annual ESG plans and review of past implementation results. In addition, the Board of Directors also monitors engagement between the Group and its stakeholders, routinely reviews whether the content of the Group's Sustainable Development Best Practice Principles has kept pace with the times, and urges relevant departments to make revisions when necessary. The Board of Directors plays the role of leader and supervisor on the CHC's corporate sustainability topics.

In Response to UN Global Compact (UNGC)

UNGC principle	Corporate commitment
Human Rights	
1. Support and respect the protection of internationally proclaimed human rights	CHC follows laws and regulations in Taiwan and other global locations and publicly supports and voluntarily complies with internationally proclaimed human rights norms and principles, including the Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, to fulfill the social responsibility of protecting the human rights of all employees.
2. Make sure not to complicit in human rights abuses	CHC has formulated relevant management principles for Corporate Human Rights Policy and publicly disclosed them on the Group's official website, including prohibiting any form of discrimination, prohibiting forced labor and child labor, providing fair and reasonable salaries and working conditions, establishing a safe, hygienic and healthy working environment, periodically conducting review and assessment on relevant systems, to reduce human rights risks or reduce the impact of human rights incidents through remedial measures.
Labour	
3. Uphold the freedom of association and the effective recognition of the right to collective bargaining	CHC protects employees' freedom of speech, supports freedom of association, dedicates to building a harmonious work environment for labor and management, and provides unimpeded and diverse communication channels and recourse mechanisms. The Group also conducts the election of labor representatives following the Regulations for Implementing Labor-Management Meeting, convenes labor-management meetings quarterly, and fully communicates through negotiation, cooperation, and forum.
4. Elimination of all forms of forced and compulsory labour	CHC respects human rights in the workplace. Besides following local labor laws, voluntarily complying with international norms, and establishing the Corporate Human Rights Policy, CHC also prohibits any form of forced labor. The Group always confirms the voluntary nature of human resource providing service and overall recruiting conditions before hiring to ensure no forced or compulsory labor.
5. Effective abolition of child labour	CHC strictly prohibits the employment of child labor. The employment process is executed under the law and Corporate Human Rights Policy, and only applicants over age 18 are qualified for an interview. After confirming hiring, the Group double-checks the identity documents of recruits to ensure the abolition of child labor.
6. Elimination of discrimination in respect of employment and occupation	CHC aims to create a friendly workplace with equal consideration of diversity and non-discrimination, hires and dismisses employees without discrimination of any kind based on race, class, language, thought, religion, political party, place of origin, gender, marital status, appearance, facial features, disability, place of birth, gender orientation, age or past membership in any labor union, and actively establishes a work environment that values human rights and is free from discrimination and harassment.
Environment	
7. Support a precautionary approach to environmental challenge	CHC's Risk Management Committee conducts risk assessments on environmental, social, and corporate governance issues related to the Group's operations based on the materiality principle as a reference for risk management and operating strategies. Appropriate countermeasures and adaptive plans for the identified climate-related risks and opportunities also have been developed.
8. Undertake initiatives to promote greater environmental responsibility	CHC sets up environmental protection goals for the short-term, mid-term, and long-term, collects environmental data periodically, and conducts self-review through recording and disclosure. In addition, the Group promotes green procurement, requests domestic suppliers to sign a corporate sustainability statement, and conducts

UNGC principle	Corporate commitment
	assessments through the supplier management process to urge suppliers to comply with relevant norms on environmental protection, safety, and health issues.
9. Encourage the development and diffusion of environmentally friendly technologies	CHC commits to coexist and prosper with the environment and actively develops low-carbon products and services. The Group has successfully developed iROIS, a paperless information system, and is constructing the first irradiation facility of sustainability, to drive corporate sustainability transitions through multiple environmentally friendly businesses.
Anti-Corruption	
10. Work against corruption in all its forms, including extortion and bribery	CHC has adopted management measures including the Code of Ethical Conduct, Procedures for Ethical Management and Guidelines for Conduct, and Whistleblowing System, which contain the standard of anti-corruption, prevention of conflict of interest, and avoidance of personal gain (including but not limited to accepting improper benefits, extortion, bribery, gratuity, and entertainment). The Group also has established preventive mechanisms and regularly conducts internal audits for potential corruption risks to prevent all forms of corruption.

ESG Glory & Honor

◆ Corporate Governance Evaluation System

The Corporate Governance Center of the Taiwan Stock Exchange has regularly held the Corporate Governance Evaluation since 2014. It is the eleventh term in 2024. The evaluation indicators comprise four categories Protecting Shareholder Rights and Interests and Treating Shareholders Equitably, Enhancing Board Composition and Operation, Increasing Information Transparency, and Promoting Sustainable Development. There are 976 TWSE- and 773 TPEx-listed companies evaluated in 2024 based on the corporate governance-related materials released by these companies.

The Company has achieved an outstanding result in the eleventh evaluation, ranking in the top 6% to 20% of all evaluated TWSE-listed companie, and within the top 6%–10% among TWSE- and TPEx-listed companies with a market value between NT$5 billion and NT$10 billion. In the future, the Group will keep following the guidance of the competent authorities, concentrate on fully implementing corporate governance, and voluntarily incorporate it into the corporate culture to improve its ranking in Corporate Governance Evaluation.

ESG Plans & Results

The Board of Directors plays the role of leader and supervisor in the CHC's continuous work on sustainable enterprise development. The Sustainability Committee regularly reports its implementation status to the Board of Directors in the first quarter of each year to strengthen sustainable competitiveness. Relevant information on ESG results in 2024 and ESG plans for 2025 are as follows:

2024 ESG Results				
Item	**Event**	**Time**	**Venue**	**Status**
1	**< Environment >** Earth Hour 2024	Mar. 23	Within the Group	Completed
2	**< Social >** Treasure of Health’s charity blood donation event	Mar. 30	823 Memorial Park, Zhonghe Dist.	Completed
3	**< Environment >** Bring your own reusable tableware for a free lunch	Mar.	Within the Group	Completed
4	**< Social >** Donation of medical equipment to enhance healthcare quality	Apr. 10	Tri-Service General Hospital	Completed

2024 ESG Results				
Item	**Event**	**Time**	**Venue**	**Status**
5	**< Environment >** Fire drill - Fire safety training	Apr. 21	Miaoli plant	Completed
6	**< Social >** CHC Blood Donation Day	Jun. 6	CHC's headquarters	Completed
7	**< Governance >** General training courses - Enhancing presentation skills	Jun. 14	CHC's headquarters	Completed
8	**< Social >** Procurement program with Sheltered Workshop	Jun.	Sheltered Workshop	Completed
9	**< Governance >** General training courses - Mastering proposal presentation skills	Jun.	CHC's headquarters	Completed
10	**< Social >** Medical volunteer program	Jul.	Ren'ai Township, Nantou County	Completed
11	**< Governance >** Occupational health and safety training - Mental health support system	Aug. 6	Internal announcements via email	Completed
12	**< Environment >** Fire drill - Fire safety training	Sep. 25	Miaoli plant	Completed
13	**< Governance >** Occupational health and safety training - Hypertension introduction from HPA	Oct. 11	Internal announcements via email	Completed
14	**< Social >** The underpad donation activity for patients in a vegetative state	Nov. 18	Genesis Social Welfare Foundation	Completed
15	**< Environment >** Fire drill - Emergency response training	Nov. 21	CHC's headquarters (Taichung office and Kaohsiung office participated through video conference.)	Completed
16	**< Social >** CHC volunteer association - Medical volunteer program	Nov. 30	Xinyi Township, Nantou County	Completed
17	**< Governance >** Occupational health and safety training - Prevention of sexual harassment and workplace bullying	Dec. 2	CHC's headquarters (Miaoli plant, Taichung office, Kaohsiung office, and overseas subsidiaries participated through video conference.)	Completed
18	**< Governance >** Awareness campaign on corporate covernance regulations	Dec. 2	CHC's headquarters (Miaoli plant, Taichung office, Kaohsiung office, and overseas subsidiaries participated through video conference.)	Completed
19	**< Governance >** Occupational health and safety training - Comprehensive guide to weight loss	Dec. 2	CHC's headquarters (Taichung office participated through video conference.)	Completed
20	**< Social >** Supporting cultural development and encouraging employees to engage in arts events	Dec. 4	Taoyuan Arts Center	Completed
21	**< Social >** Senior Mini Marathon	Dec. 14	Sports field, National Tsing Hua University	Completed
22	**< Governance >** Publication of the annual sustainability report - Bilingual edition (Chinese & English)	Annual	CHC's official website & MOPS	Completed
23	**< Environment >** Energy saving plan	Annual	CHC's headquarters, Miaoli plant, Taichung office, Kaohsiung office	Completed
24	**< Environment >** Office consumables green procurement program	Annual	CHC's headquarters, Miaoli plant, Taichung office, Kaohsiung office	Completed
25	**< Governance >** Supervisor training course		CHC's headquarters	Canceled (Replaced by advanced general training course)

2025 ESG Plans				
Item	**Event**	**Time**	**Venue**	**Status**
1	**< Environment >** Earth Hour 2025	Mar. 22	Within the Group	Completed
2	**< Environment >** Bring your own reusable tableware for a free lunch	Mar.	Within the Group	Completed
3	**< Environment >** Fire drill	Apr. 11	Miaoli plant	Completed
4	**< Social >** CHC Blood Donation Day	May 20	CHC's headquarters	Completed
5	**< Social >** Procurement program with Sheltered Workshop	May	Sheltered Workshop	Completed
6	**< Social >** Treasure of Health's charity blood donation event	Jun. 14	823 Memorial Park, Zhonghe Dist.	Completed
7	**< Social >** Medical volunteer program	Jul. - Aug.	Ren'ai Township, Nantou County	In progress / Pending
8	**< Governance >** Awareness campaign on occupational health and safety	Aug.	Internal announcements via email	In progress / Pending
9	**< Governance >** Supervisor training course	Aug.	CHC's headquarters	In progress / Pending
10	**< Governance >** General training courses	Aug.	CHC's headquarters	In progress / Pending
11	**< Environment >** Fire drill	Oct.	CHC's headquarters (Taichung office and Kaohsiung office participated through video conference.)	In progress / Pending
12	**< Environment >** Fire drill	Oct.	Miaoli plant	In progress / Pending
13	**< Social >** Senior Mini Marathon	Oct. - Nov.	Gangnan Canal Park, Xiangshan Dist., Hsinchu City	In progress / Pending
14	**< Social >** CHC volunteer association - Medical volunteer program	Nov.	Xinyi Township, Nantou County	In progress / Pending
15	**< Governance >** Occupational health and safety training	Dec.	CHC's headquarters (Miaoli plant, Taichung office, Kaohsiung office, and overseas subsidiaries participated through video conference.)	In progress / Pending
16	**< Social >** The underpad donation activity for patients in a vegetative state	Q4	Genesis Social Welfare Foundation	In progress / Pending
17	**< Governance >** Publication of the annual sustainability report - Bilingual edition (Chinese & English)	Annual	CHC's official website & MOPS	In progress / Pending
18	**< Environment >** Energy saving plan	Annual	CHC's headquarters, Miaoli plant, Taichung office, Kaohsiung office	In progress / Pending
19	**< Environment >** Office consumables green procurement program	Annual	CHC's headquarters, Miaoli plant, Taichung office, Kaohsiung office	In progress / Pending

Communication & Interaction

CHC takes positive interaction with stakeholders as the foundation of corporate growth. Based on the definition of stakeholder in the GRI Standards Glossary, and after a discussion with each department on its specific contact objects, the Sustainability Committee has identified five categories of stakeholders including customers, suppliers, investors, employees, and general public.

To enhance two-way communication with stakeholders, the Group has established a sector of Stakeholders on the official website, listing the contact windows for various stakeholders, and voluntarily prepared and published the previous year's sustainability reports for several consecutive years. Publication of the English version of the sustainability report has started since 2022 in the hope of gradually improving the accessibility and convenience for stakeholders to obtain information. The Group also has established a grievance mechanism for stakeholders to lodge complaints against negative impacts.

Once any advice, concerns, and grievances from stakeholders are received, countermeasures will be taken immediately by CHC's responsible unit. The Group also regularly reports the communication status with its various stakeholders to the Board of Directors in the third quarter of every year. If the Group is involved in a negative impact, the dedicated unit will report to the senior executives. Then senior executives will convene relevant departments to seek remediation and notify the Sustainability Committee and the Board of Directors depending on the seriousness of the case. The status of communication with CHC's various stakeholders in 2024 is as follows:

Status of Communication with CHC's Various Stakeholders in 2024				
Stakeholders	**Issues of concern**	**Responsible unit**	**Communication channels / Response mechanism / Communication frequency**	**2024 interaction performance**
Customers	◆ Market expansion ◆ Product quality control ◆ Customer satisfaction ◆ Customer privacy ◆ Customer interests protection ◆ Customer relationship maintenance ◆ After-sales service ◆ Sustainable development strategy	◆ Radiation Oncology & Imaging System Dept. ◆ Neuroscience Dept. ◆ Ophthalmology Dept. ◆ Technical Service Dept. ◆ Irradiation Service Dept.	◆ Official website Disclose public and contact information regularly ◆ Sustainability report Publish annually ◆ Customer satisfaction survey Conduct annually ◆ Exhibition / Activity Take place irregularly, depending on the needs of marketing ◆ Communication meeting Convene irregularly, depending on the needs ◆ In-person visitation Arrange irregularly ◆ Service center Operate regularly ◆ E-mail / Phone call Contact regularly, respond instantly	◆ Corresponding chapter Chapter 1 - 1.3 Chapter 2 ◆ 96% customer satisfaction for sales team ◆ 90% satisfaction for technical team ◆ Joined / held over 30 physical or online exhibitions / activities
Suppliers	◆ Market expansion ◆ Supply chain management ◆ Supplier relations ◆ Sustainable development strategy	Foreign suppliers ◆ Administration Dept. Domestic suppliers ◆ Human Resource & General Affairs Dept. ◆ Procurement unit of the subsidiary	◆ Official website Disclose public and contact information regularly ◆ Sustainability report Publish annually ◆ Annual business meeting Follow suppliers' schedule ◆ Training Arrange irregularly, depending on the needs ◆ Communication meeting Convene irregularly, depending on the needs ◆ E-mail / Phone call Contact regularly, respond instantly	◆ Corresponding chapter Chapter 1 - 1.3 Chapter 4 - 4.2 ◆ Joined over 60 online annual business meetings of foreign suppliers ◆ Joined 14 online training sessions of foreign suppliers
Investors	◆ Operating status ◆ Legal compliance ◆ Shareholders' equity maintenance ◆ Information transparency	◆ Spokesperson ◆ Deputy Spokesperson ◆ Finance Dept. ◆ Accounting Dept. ◆ Investment Dept.	◆ Official website Disclose public and contact information regularly ◆ MOPS Disclose public information in accordance with the applicable laws, rules, and	◆ Corresponding chapter Chapter 1 ◆ Convened 1 annual shareholders'

Status of Communication with CHC's Various Stakeholders in 2024				
Stakeholders	**Issues of concern**	**Responsible unit**	**Communication channels / Response mechanism / Communication frequency**	**2024 interaction performance**
	◆ Sustainable development strategy		regulations ◆ Annual report / Financial statements Publish annually / Publish quarterly ◆ Sustainability report Publish annually ◆ Annual / Special shareholders' meeting Convene annually / Convene irregularly, depending on the needs ◆ Public investor conference (hold or be invited) Convene at least twice a year ◆ Investor visiting Convene irregularly, depending on the needs ◆ Investor contact Respond instantly	meeting ◆ Held 2 public investor conference ◆ Arranged over 25 times of investor visits (including conference calls) ◆ Ranged 6~20% of all TWSE-listed companies in 2024 Corporate Governance Evaluation
Employees	◆ Employee compensation ◆ Employee welfare ◆ Labor- management relations ◆ Training ◆ Workplace ◆ Corporate culture & norms ◆ Sustainable development strategy	◆ Human Resource & General Affairs Dept. ◆ Welfare Committee	◆ Official website Disclose public and contact information regularly ◆ Sustainability report Publish annually ◆ Internal announcement / regulations Publish irregularly on internal system ◆ Labor- management meeting Convene quarterly ◆ Welfare committee meeting Convene irregularly ◆ Group meeting Convene monthly ◆ Contact for handling complaints Respond instantly ◆ Committee for handling complaints Convene irregularly	◆ Corresponding chapter Chapter 1 - 1.3 Chapter 3 ◆ Published 39 announcements ◆ Convened 4 labor-management meetings ◆ Convened 12 group meetings
General public	◆ Corporate image ◆ Corporate responsibility ◆ Charity ◆ Social influence	◆ Marketing Dept.	◆ Official website Disclose public and contact information regularly ◆ Sustainability report Publish annually ◆ Various activity Plan and execute every year ◆ Current affairs related activity Take place irregularly	◆ Corresponding chapter Chapter 1 - 1.3 Chapter 5 ◆ Held / in response to 20 community engagement activities
For further contact information and grievance channel, please refer to the sector of Contact Us on page 93.				

Identification of Material Topics

Material topics are those that reflect an organization's most significant impacts on the economy, environment, and people (including human rights). CHC Healthcare Group determines its material topics with reference to the GRI Standards. Beginning in 2024, the identification process of annual material topics starts with a dedicated staff member reviewing and consolidating all topics in the GRI Standards, and, by considering the organizational context, adding other topics relevant to the Group. An annual material topics assessment questionnaire is then developed and distributed to responsible executives within the Sustainability Committee working group for completion.

When identifying whether specific topics in the GRI Standards or other topics are material to the Group, two dimensions are assessed: the significance of the Group's actual and potential impacts and the degree of stakeholders' concern. The significance of impacts mainly considers the likelihood of occurrence and the severity of impacts, while the degree of stakeholders' concern takes into account the issues frequently raised during regular engagement with stakeholders.

When completing the questionnaire, each responsible executive evaluates all topics across two dimensions, assigning a score from 0 to 10 for each dimension. A score of 0 represents an extremely low significance of impacts or stakeholder concern, while a score of 10 represents an extremely high significance or concern. The maximum score for each topic is therefore 20 points. Ultimately, the Group considers a topic to be material only if, in the questionnaire results of every responsible executive, the combined score of the two dimensions exceeds 10 points. These material topics are then ranked in descending order based on their total score. In the case of a tie, the dimension of "significance of actual and potential impacts" is used as the secondary sorting criterion. Following this principle, the management team identified thirteen material topics from the thirty-three specific topics under the GRI Standards, and, in addition, included one non-GRI topic—Community Engagement—bringing the total number of material topics for CHC Healthcare Group to fourteen.

As the Group adjusted its approach to determining material topics in 2024 by adopting questionnaires to incorporate more diverse opinions and perspectives, the material topics and their rankings differ slightly from those in 2023. Please refer to the table below for details.

Ranking	2024	2023
1	GRI 416: Customer Health and Safety	GRI 201: Economic Performance
2	GRI 418: Customer Privacy	GRI 416: Customer Health and Safety
3	GRI 402: Labor / Management Relations	GRI 418: Customer Privacy
4	GRI 403: Occupational Health and Safety	GRI 402: Labor / Management Relations
5	GRI 201: Economic Performance	GRI 401: Employment
6	GRI 401: Employment	GRI 205: Anti-corruption
7	GRI 417: Marketing and Labeling	GRI 403: Occupational Health and Safety
8	GRI 204: Procurement Practices	GRI 417: Marketing and Labeling
9	GRI 205: Anti-corruption	GRI 404: Training and Education
10	Others：Community Engagement	Others：Community Engagement
11	GRI 404: Training and Education	GRI 308: Supplier Environmental Assessment
12	GRI 405: Diversity and Equal Opportunity	GRI 204: Procurement Practices
13	GRI 308: Supplier Environmental Assessment	GRI 414: Supplier Social Assessment
14	GRI 207: Tax	GRI 305: Emissions

The fourteen material topics identified for 2024, along with their rankings and related explanations, are summarized in the table below.

Ranking	Material topic	Description	
1	**Customer Health and Safety**	Policies or commitments	Customers are important partners of an enterprise. The Group provides qualified products and services and strives to ensure the safety and health of customers and related personnel.
		Performance indicators	No violations of laws and regulations related to health and safety for products and services.
		Management	Ensure that the import, installation, and maintenance of products

Ranking	Material topic	Description	
		approach	strictly comply with laws and regulations, adopt ISO 9001 Quality Management System to strengthen process management, and provide customer education and training courses and clinical guidance to avoid improper use or operation.
		Actual or potential impacts	If the products provided by the Group are not installed correctly, instructions are not complied with, or operations are improper, they may cause health hazards to health professionals and patients.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. ■ CHC is directly linked to the impacts.
		Performance	There are no violations of laws and regulations related to health and safety for products and services in 2024.
2	**Customer Privacy**	Policies or commitments	Customers are important partners of an enterprise. Protecting their privacy is the chief factor in building customer trust in a corporation. The Group is committed to ensuring customer privacy through multiple mechanisms.
		Performance indicators	No substantiated complaints of invasion of customer privacy or loss of customer data.
		Management approach	Strictly follow the laws and regulations of the competent authorities and enhance employees' awareness of the law and moral consciousness through sufficient orientation training and on-the-job training to prevent customer privacy infringed.
		Actual or potential impacts	If confidential information of customers is accidentally leaked, besides infringing on customer rights and affecting mutual trust between the two parties, there are also risks of losing customers and violating regulations.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	There are no substantiated complaints of invasion of customer privacy or loss of customer data in 2024.
3	**Labor / Management Relations**	Policies or commitments	Good labor-management relations can enhance the cohesiveness of employees and have positive effects on operational performance. The Group provides a sound labor-management communication platform and strives to build win-win labor-management relations.
		Performance indicators	Aim for zero labor disputes and zero violations in labor inspections.
		Management approach	Strictly follow the laws and regulations of the competent authorities to protect employees' freedom of speech and association, and regularly hold labor-management meetings and group meetings to ensure adequate two-way communication.
		Actual or potential impacts	Disharmonious labor-management relations may lead to labor disputes. If the case is serious, it may cause fines from the competent authorities, or even the suspension of business operations.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	There are no major violations of laws and regulations resulting in huge fines and no major labor disputes in 2024.
4	**Occupational Health and Safety**	Policies or commitments	Employees are important partners for the sustainable development of an enterprise. The Group is committed to aiming at zero occupational accidents, continuously improving occupational health and safety performance, and taking care of the physical and mental safety and health of employees.

Ranking	Material topic	Description	
		Performance indicators	Conduct internal advocacy at least once a year through official letters on an irregular basis by responsible unit.
		Management approach	Strictly abide by the occupational health and safety regulations of the competent authorities, adopt ISO 45001 Occupational Health and Safety Management System, arrange regular health examinations for all employees, and conduct occupational health and safety training courses aperiodically.
		Actual or potential impacts	If the occupational health and safety management mechanism is not implemented, it may cause employees to suffer occupational accidents directly or indirectly, harm their physical and mental health, or even cause casualties.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	There are ten occupational accidents in 2024, all of which are minor injuries, and there are no major violations of laws and regulations resulting in huge fines.
5	**Economic Performance**	Policies or commitments	Economic responsibility is the most basic social responsibility for an enterprise, and the sustainable development of a corporation requires a sound economic base. The Group ensures the sustainable operation of the enterprise by creating stable growth financial performance.
		Performance indicators	Maintain stable profitability and distribute annual earnings in accordance with the dividend policy to reward the support of investors.
		Management approach	Prepare an annual budget at the beginning of each year and conduct internal performance reviews at the middle and end of the year, strengthen the disclosure of operating and financial information, and distribute annual earnings following the dividend policy in reward of the support of investors.
		Actual or potential impacts	Unstable economic performance may cause investors to lose confidence in the Group's operations, causing fluctuations in stock prices and even affecting the stability of management rights.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	CHC has maintained stable profitability in 2024 and distributed annual earnings in accordance with the dividend policy to reward the support of investors.
6	**Employment**	Policies or commitments	Employees are key partners in ensuring the sustainable development of an enterprise. In addition to strictly adhering to laws and regulations, the Group publicly commits to abide by internationally recognized human rights norms and actively improve employment relationships.
		Performance indicators	Aim for zero labor disputes and zero violations in labor inspections.
		Management approach	Strictly follow the laws and regulations of the competent authorities, provide a complete welfare system and a reasonable remuneration policy, and establish internal rules and regulations and a performance appraisal system.
		Actual or potential impacts	Provided the employment relationship is harmonious or not affects talent recruitment, hiring, and employees' intention to stay, which is also a critical factor in whether an enterprise can continue its expansion and achieve sustainable development.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.

Ranking	Material topic	Description	
		Performance	There are no major violations of laws and regulations resulting in huge fines and no major labor disputes in 2024.
7	**Marketing and Labeling**	Policies or commitments	Marketing and labeling are important sources for customers to get to know the products and services. The Group is devoted to ensuring the marketing and labeling comply with relevant laws and regulations and clearly conveying product and service information to customers.
		Performance indicators	No incidents of failure to comply with laws and regulations on information and labeling of products and services, and no incidents of violations of laws and regulations on marketing communications.
		Management approach	Strictly follow the laws and regulations of the competent authorities, adopt medical device quality management system (QMS) regulations to do labeling, and arrange adequate education and training.
		Actual or potential impacts	The labeling of the products distributed by the Group is strictly regulated by laws and regulations. If there is improper marketing behavior, it may result in fines from the competent authorities.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. ■ CHC is directly linked to the impacts.
		Performance	There are no incidents of failure to comply with laws and regulations on information and labeling of products and services, also no incidents of violations of laws and regulations on marketing communications in 2024.
8	**Procurement Practices**	Policies or commitments	To implement responsible procurement, the Group takes the potential environmental and social impacts of products into consideration when making procurement decisions and actively seeks outstanding suppliers from local locations where it operates.
		Performance indicators	Conduct supplier evaluations on a regular basis to ensure that suppliers comply with relevant regulations while their products and services also meet the Group's requirements, and make every effort to seek high-quality suppliers certified with ISO international standards.
		Management approach	Establish a clear procurement procedure, implement all procurement under the purchase requisition and purchase order processes, and obtain approval following the authority matrix.
		Actual or potential impacts	Local procurement can reduce costs and carbon emissions generated during transportation, which also can foster positive economic development in the location of operations.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	All foreign suppliers have complied with relevant medical device regulations in 2024. For domestic procurement of consumable general supplies in 2024, 23% of the total amount consists of environmentally certified consumable general supplies.
9	**Anti-corruption**	Policies or commitments	CHC prohibits all forms of corruption and bribery. In addition to complying with relevant laws and regulations, the Group regulates all employees with the highest ethical standards to maintain corporate reputation.
		Performance indicators	Conduct internal advocacy at least once a year by responsible unit.
		Management approach	Establish internal rules and regulations, designate responsible units to arrange internal dissemination aperiodically, link employee ethical behavior with performance appraisal, and

Ranking	Material topic	Description	
			conduct regular internal audits on daily operating procedures.
		Actual or potential impacts	Corruption may lead to personal or corporate litigation, resulting in tangible and intangible losses to an enterprise and causing extremely negative impacts on its business.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	There are no incidents of business corruption in 2024.
10	**Community Engagement**	Policies or commitments	Committed to the concept of the community is critical to the flourishing of an enterprise, and a corporation must give back to the community, the Group proactively fulfills its social responsibilities to make progress together with society and create a better future.
		Performance indicators	Set targets for the number of social engagement activities and the participant turnout for each activity.
		Management approach	Hold or participate in activities related to social welfare through corporate influence to drive positive development in the region, and regularly report to the Board of Directors for plan formulation and performance review.
		Actual or potential impacts	Corporate operation is inseparable from the development of the whole society. Promoting social progress has a positive impact on the stability of business operations.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	For community engagement performance in 2024, please refer to Chapter 5.
11	**Training and Education**	Policies or commitments	The Group is committed to strengthening employee career development, expanding the skill range of its employees to match business guidelines, achieving employee career development together with corporate growth, and cultivating talents needed for the sustainable operation of an enterprise.
		Performance indicators	Hold general education training course at least once a year by responsible unit.
		Management approach	Adopt Reward Regulation for Educational Training and Professional Certification, conduct various types of education and training aperiodically, and organize and implement education and training following business development and employees' competency requirements.
		Actual or potential impacts	Talents are the foundation of sustainable development. Excellent talents can help the enterprise maintain market competitiveness and thereby have positive effects on its overall operational performance.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	For training and education performance in 2024, please refer to sector 3.3 of Chapter 3.
12	**Diversity and Equal Opportunity**	Policies or commitments	The Group is committed to fostering employees' career development without discrimination or differential treatment based on gender, nationality, age, or other factors to ensure that all personnel can thrive in a work environment characterized by respect, mutual trust, diversity, harmony, and equality, thereby creating a win–win situation for both the Group and its employees.
		Performance indicators	Targeting zero complaints related to gender or nationality discrimination.
		Management	The Group upholds a policy of non-discrimination based on

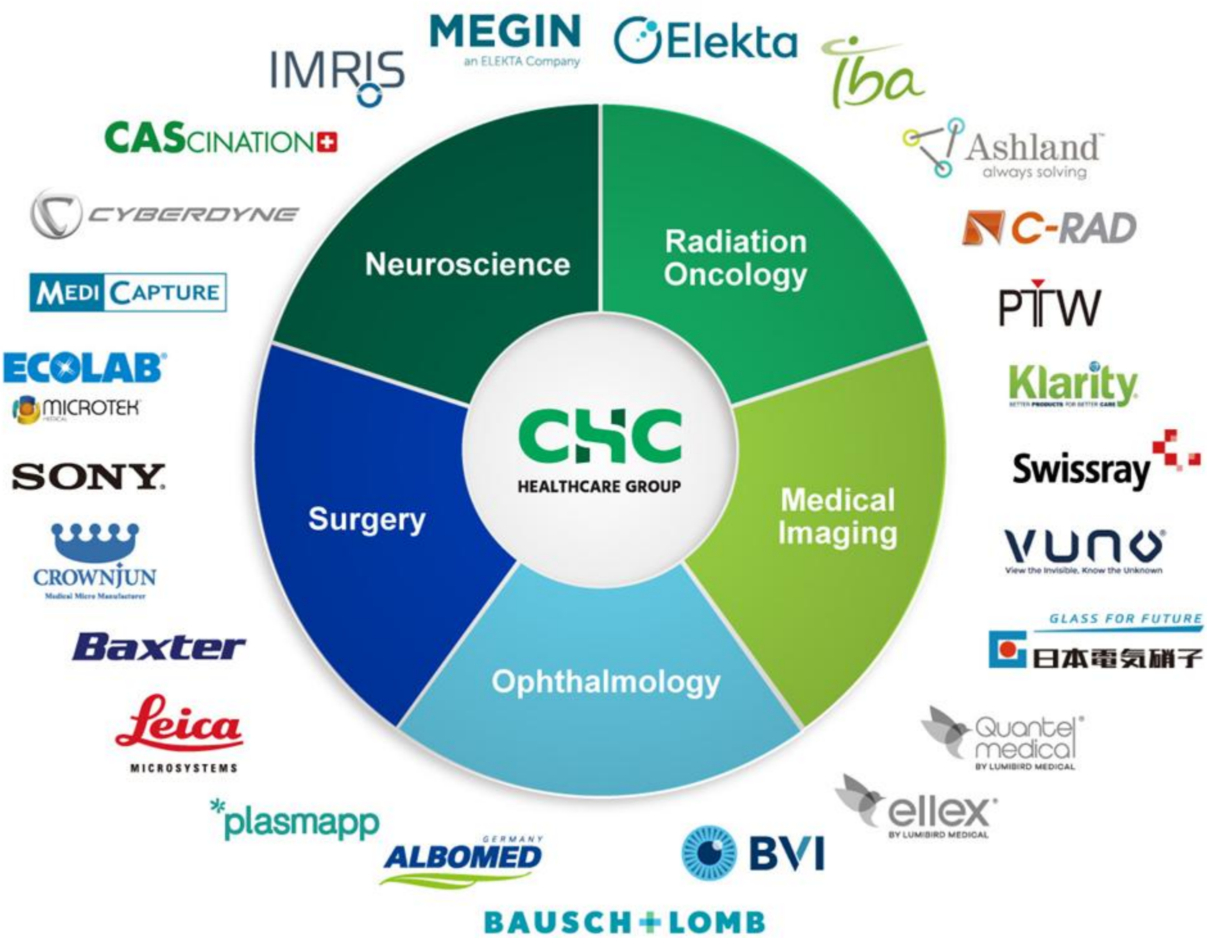
Ranking	Material topic	Description	
		approach	gender, nationality, age, or other factors, ensuring that employees from diverse backgrounds are accepted and supported in the workplace, thereby enabling them to fully develop their potential.
		Actual or potential impacts	Promoting equal opportunities enhances the Group's attractiveness as an employer. A culture of diversity and inclusion helps reduce employee turnover, improve satisfaction and loyalty, and further support overall business growth and operational performance.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. □ CHC is directly linked to the impacts.
		Performance	In 2024, no complaints related to gender or nationality discrimination are reported.
13	**Supplier Environmental Assessment**	Policies or commitments	The Group leverages its corporate influence to encourage green procurement and seeks outstanding suppliers to build a sustainable supply chain.
		Performance indicators	Regularly monitor whether overseas distributors and suppliers have made commitments to environmental indicators. A target has been set for more than 90% of new domestic suppliers to sign the Corporate Sustainability Statement. Customer-designated suppliers are also required to obtain approval from the responsible department head before providing materials.
		Management approach	Adopt supplier management procedures, establish supplier evaluation mechanisms, and conduct supplier environmental and human rights impact assessments.
		Actual or potential impacts	Most of the Group's suppliers are manufacturing companies. If something goes wrong in the product manufacturing process, it may cause irreversible large-scale environmental disasters.
		CHC's involvement with the impacts	□ CHC has caused or contributed to the impacts. ■ CHC is directly linked to the impacts.
		Performance	In 2024, no foreign suppliers are found causing significant actual or potential negative environmental impacts. Domestic suppliers are progressively being required to sign the Corporate Sustainability Statement.
14	**Tax**	Policies or commitments	The Group upholds the principles of lawful tax reporting and integrity in payment, complying with the tax regulations of its operating locations and fulfilling its responsibility as a corporate citizen.
		Performance indicators	Maintain zero records of major tax violations or fines.
		Management approach	The Chairman serves as the ultimate responsible person for the Group's tax governance, the CFO is the highest decision-maker for major tax management matters, while the Accounting Department is responsible for executing tax operations and managing tax risks.
		Actual or potential impacts	Errors in tax filings, inaccurate disclosures, or omissions in regulatory compliance may result in penalties, which could damage the Group's reputation and financial performance, thereby undermining investor confidence and affecting sustainable operations.
		CHC's involvement with the impacts	■ CHC has caused or contributed to the impacts. ■ CHC is directly linked to the impacts.
		Performance	In 2024, the Group has recorded no major tax violations or fines and completed all tax filings on time.

Ch.2 Customer Service

2.1 Products & Services

CHC is committed to introducing high-end medical equipment and technology. Since being established more than 45 years ago, the group has acted as a distributor for many major international medical equipment brands, covering radiation oncology, neuroscience, medical imaging, ophthalmology, and surgery. The Group also develops a comprehensive range of medical management services for healthcare institutions. By providing advanced medical equipment and technical support, CHC helps ensure the delivery of high-quality medical services to customers. With the ultimate goal of providing services that go beyond customer expectations, the Group consistently takes the customer's perspective and aims to offer comprehensive, professional, caring, and trustworthy support - building strong, long-term partnerships with our customers.

In recent years, besides actively looking for new products and improving service quality, CHC has expanded into overseas markets and successfully introduced Taiwan's experience to China and Southeast Asia with a headstart. In response to customer and market demands, the Group has expanded into diverse business sectors starting from the core medical business. These include the independent development of an integrated radiation oncology information system, the announcement of the acquisition of a chain community pharmacies channel, investment in a high-tech irradiation facility, and entry into the elderly care business. CHC has successfully executed business diversification of an enterprise, expanding its presence from B2B to B2C markets to complete the healthcare industry value chain and achieve a win-win situation for the Group and its clients.



Distribution Brands & Products

1. Radiation oncology

Brand	Product
Elekta	Radiation oncology digital linear accelerator MRI linear accelerator Image-guided radiotherapy Electronic medical information management system Computer treatment planning system Radiotherapy patient fixation equipment Ultrasound image-guided radiotherapy system Remote after-loading intracavitary brachytherapy system Intracavitary brachy therapy device X-ray simulator Integrated X-ray intracavitary brachytherapy special photography system Low dose prostate tissue interstitial implantation treatment system
PTW	Radiotherapy quality confirmation equipment Radiotherapy diagnostic quality confirmation equipment Radiation calibration measurement system equipment
Ashland	Self-display dose verification film for quality verification
C-RAD	Radiotherapy laser scanning instant positioning system
IBA	Proton therapy system
Klarity Medical	Radiation oncology patient peripheral equipment

2. Neuroscience

Brand	Product
Elekta	Leksell gamma knife - stereotactic radiosurgery system Stereotactic radiosurgery system
MEGIN	Magnetoencephalography (MEG) system
Leica	Surgical microscope
Baxter	Operating table, surgical lamp, surgical column Patient positioning accessories during surgery Surgery related smart products and solutions
IMRIS	MRI hybrid surgical theatre
SONY	NUCLeUS
CROWNJUN	Surgical sutures and instruments
CASCINATION	Stereotactic navigation system
CYBERDYNE	Hybrid assistive limb
MEDICAPTURE	Medical image processing system
MICROTEK	Surgical microscope sterilization set

3. Medical imaging

Brand	Product
Swissray	Digital X-ray imaginary diagnostic system

4. Ophthalmology

Brand	Product
BAUSCH+LOMB	Excimer laser system Corneal flap femtosecond laser system Cataract femtosecond laser system Corner template cutter
Ellex	Ophthalmoscope laser
Leica	Surgical microscope
BVI	Artificial intraocular lens
Quantel	Ophthalmic ultrasound
ALBOMED	Artificial vitreous
Plasmapp	Low temperature plasma sterilizer

5. VUNO: Artificial intelligence (AI) medical solutions

6. Nippon Electric Glass Co., Ltd.: Lead glass for medical use

7. Pharmaceutical sales: Supply of medicines required by pharmacies and medical institutions

Medical Management Services

CHC provides comprehesive medical management services, including medical site planning and design, construction, medical equipment installation and testing, departmental operations management and operation consulting, medical technician education and training, equipment maintenance, and subsequent upgrade services.

Comprehensive medical management service is the biggest reason for the group to establish a solid foundation and gain a leading position in Taiwan's medical service market. To achieve timely and professional service, the Group has set up a technical service department and trained nearly 100 technical engineers certified by manufacturers. Service centers are located in northern, central, and southern Taiwan to provide timely technical support and after-sales service to major medical institutions, ensuring the highest quality of medical care for patients.

The soft power of the medical management service not only encourages medical institutions to continue cooperating with CHC, but also provides manufacturers with peace of mind. The Group's technical team can even assist manufacturers in providing technical support services in other countries, thereby further strengthening the cooperative relationship with manufacturers.

Business Diversification

1. Radiotherapy information system

CHC has successfully developed the Integrated Radiation Oncology Information System (iROIS). iROIS is a comprehensive solution for radiation oncology, providing an information platform designed from a clinical operations perspective. It integrates electronic medical records with treatment workflows, and optimizes operations of the radiation oncology department. The system achieves horizontal integration of a patient's medical information between the Hospital Information System (HIS) and the Oncology Information System (OIS), which also has multiple alert and reminder functions, enhancing clinical operational efficiency while improving patient safety. For clinical staff, iROIS streamlines treatment workflows through systematic management, reducing the workload on personnel. Additionally, its one-stop smart services and customized implementation advantage helps medical staff achieve more with less effort. For hospital management, iROIS's paperless operation not only reduce operational costs and improve hospital accreditation pass rates but also provide integrated data for big data analysis, helping hospitals to build efficient and high-quality information platforms.

2. Chain pharmacies channel

With the arrival of the post-pandemic era and an aging population, the Group has observed that the connection between Taiwanese citizens and pharmacies has grown increasingly close. In October 2021, CHC acquired a 51% stake in Treasure of Health Co., Ltd, officially expanding business into the chain pharmacies channel and entering the B2C sector. By the end of 2024, the Group will have more than 55 physical community pharmacy channels, one online shopping platform, and listings on popular e-commerce platforms. Moving forward, the Group will leverage its resources and over 45 years of experience in the healthcare industry to improve the scale and level of existing physical and online channels, and provide customers with a positive shopping experience.

3. Irradiation business

The Group has established Taiwan's first irradiation plant compliant with sustainable use principles in the Tongluo district of Hsinchu Science Park. This facility provides safer, more efficient, and residue-free sterilization technology for healthcare and food production industries. It also fulfills testing needs for industries such as aerospace and low-earth orbit satellites. Additionally, it can be applied to semiconductor and composite material processing, offering innovative solutions for various industries.

The Group exclusively introduces the Rhodotron® developed by Belgian manufacturer IBA, capable of generating high-energy photon and electron beams. Combined with automatic conveyor belts and radiation energy system control, it provides irradiation services tailored to the needs of various industries across the country. Additionally, it is equipped with a professional laboratory compliant with international certification standards to offer sterilization validation services and conduct irradiation testing on customer product samples. CHC aim to drive the sustainable transformation while accelerating the integration of domestic industries with the world.

4. Elderly care business

Taiwan has entered a "super-aged society" in 2025, with over 20% of its population aged 65 or older. The pace of population aging in Taiwan is even faster than that of Europe, the United States, and Japan. Long-term care has officially become an important issue that cannot be ignored. Recognizing this huge business opportunity, CHC has partnered with Japan's Sakurajyuji Group to establish a presence in Taiwan's elderly care market. Moving forward, the Group will adopt a differentiated strategy to create comfortable, safe, and elderly-oriented humanized spaces. Apart from providing comprehensive and continuous care, the Group will also promote the concept of preventive medicine, aiming to extend the healthy lifespan of the elderly, reduce the time spent bedridden, and enhance the quality of life and dignity of the elderly in Taiwan.

2.2 Product Liability

Education & Training for Frontline Staff

Sales skills and product training for sales representatives

- Orientation training is arranged for new sales representatives. The course covers fundamental business skills training, a medical market overview, an introduction to the hospital level healthcare referral system, and product training.
- Arrange study sessions at least twice per month to provide channels for sales representatives of various departments to communicate with each other and gain new knowledge. Both education and training on new products and regular updates are also given to current sales representatives. Employees are encouraged to strengthen their language skills, and there are corresponding reward programs for each language certificate.

Professional skills training for engineers

- Overseas training：Personnel will be sent overseas on irregular basis to participate in manufacturer training coures. In 2024, the Technical Service Dept. sent a total of 9 personnel for training, 20 people completed the manufacter's online courses. The Irradiation Service Dept. sent 1 personnel to the manufacturer for training.
- Manufacturer support：Manufacturers have sent professionals to Taiwan to provide support and training，16 times for the Medical Tech department and 6 for the Radiation department.
- Departmental curriculum: The Technical Service Dept. held 123 professional skills education and training sessions while the Irradiation Service Dept. held 27. Attendance rate is taken into consideration when conducting performance evaluations.

Radiation safety training

- Complusory radiation safety training courses for new recruits which provides them with accurate knowledge about radiation. All engineers are required to obtain radiation safety certificates.
- Three hours of radiation protection training per year is mandatory for radiation workers, course designed to reinforce radiation protection concepts at all times to ensure safety in the workplace.

Customer Health & Safety

CHC has been accompanying customers for over forty-five years since its establishement. In addition to providing high-quality products and service, the Group places great importance on the safety of its customers and patients' lives and property. To ensure the safety and health of relevant personnel, products are subject to strict inspections and specifications from installation to operation. After the products are delivered, the Group provides relevant training services to customers. After the product is officially put to use, it is equipped with relevant adjustments, safety interlocks, and emergency stop devices to ensure the safety of customers using the product and patients receiving treatment through multiple layers of checks.

Radiation safety assessment (before installation)

The use of various types of radioactive materials and equipment that may generate ionizing radiation must be strictly reviewed. Also, the safety of radiation workplaces must be confirmed in advance. The equipment can only be installed after the radiation protection plan is approved. The Group employs professional radiation protection personnel to assist hospitals in developing a comprehesive radiation safety planns, dose assessment, etc., to ensure the absolute safety of personnel and the environment.

Radiation safety testing (after installation)

Equipment must be inspected and certified as compliant before it can be used. The Group has established standard installation procedures, acceptance test procedures and permissible error margins for equipment. All items must meet the original manufacturer's precision standards before being delivered to customers. Environmental monitoring is conducted, and the group collaborates with the hospital to implement the quality assurance plan for medical radiation equipment. Only after all items have passed the inspection can an application be submitted to the Nuclear Safety Commission (NSC) for a license for ionzing radiation equipment. The equipment may be used in clinical settings once the license is issued.

Equipment teaching and training (before use)

A complete training course gives customers a thorough understanding of the equipment to operate safely and avoid accidents. The Group trains professional instructors who provide basic knowledge, detailed information, and hands-on instruction prior to the actual use of the instruments but also coordinate with the scheduling of cinical treatment cases to provide on-site guidance or standby support.

Automatic light source intensity adjustment system (in use)

The device automatically adjusts the light intensity and temperature of the microscope by changing the working distance to prevent possible burns to the patient's local tissue. In addition, the light range provided by the device adjusts with the size of the field of view (change in magnification) to prevent possible burns to non-surgical tissue.

Equipment safety interlock (in use)

Since improper operation of radiation equipment can easily lead to severe consequences, multiple safety interlocking devices are equipped to ensure the correctness of the treatment process and safety of hospital staff and patients. Relevant devices include infared safety interlocks and exposure indicators at the entrance of the treatment room, monitors in all corners, treatment accessory lock monitoring, collision prevention settings, treatment parameter monitoring, automatic fault recording, and automatic start-up of an uninterruptable power supply system after a power outage.

Emergency stop device (in use)

Equipment distributed by the Group that generates ionizing radiation or radionuclides is equipped with emergency stop devices. In the event of equipment malfunction, changes in patient condition, or disasters such as earthquakes or fires, the first priority is to stop the machine and safely evacuate patients from the treatment room. Accordingly, multiple emergency stop devices are installed during equipment setup, and their functionality is regularly inspected and tested to ensure the safety of both staff and patients.

Reduce Environmental Impact of Products

CHC is not in the manufacturing industry and does not have a dedicated R&D department or production facilities. Therefore, there is no risk of direct environmental pollution. Guided by principles of caring for the earth and protecting the environment, the Group strives to minimize environmental impact caused by products in the process of selecting products for distribution, sales and transportation, equipment installation, clinical application, equipment scrapping, and reuse of fine products, hoping to protect the earth as much as possible.

1. Medical information management system

The Group continues to promote the medical information system, commonly known as electronic medical records, with the aim of enhancing treatment safety, improving treatment efficiency, protecting patient privacy, and ultimately improving the quality of medical care through the implementation of this system. In the past, medical records were handwritten by doctors then archived. Traditional paper based-medical records accumulated in volume as patient visits increased. Additionally, because of the retention period of medical records regulated by law, the extensive use of paper and space required for storage increased administrative costs and had adverse environmental impacts. Furthermore, over time, handwritten records may become illegible, and paper documents may be damaged, making it difficult to reference during subsequent treatments. If a patient needs to be referred to another medical facility, there is also a risk of record loss or data leakage during the transfer process.

After introducing the medical information system, prescriptions and medical records can be stored in various data formats such as text, images and physiological signals on computers or cloud systems. Whether patients request to take their medical records home or seek treatment at other facilities, doctors can promptly access medical records on computers, reducing the risks associated with traditional paper-based data transmission and enhancing the convenience of information retrieval. In addition to optimizing information processing and transmission workflows, the system also makes a significant contribution to environmental sustainability. With healthcare institutions adopting this system, relevant data can be integrated and exchanged in a paperless manner, effectively reducing paper waste, achieving environmental protection, and facilitating permanent data preservation and saving space.

2. Safe transportation of radioactive material

The radiation oncology treatment equipment distributed by the group is medical equipment that uses high-dose radiation to treat tumors. In addition to requiring radiation protection during use, such products must also be handled with particular care and caution during transportation. To ensure the safety of employees, customers, patients, and the environment, in addition to complying with the management regulations and relevant laws and regulations of the competent authorities, the Group has established a Radioactive Material Transportation Plan as a guide for relevant personnel to carry out radiactive material transportation operations, to avoid possible dangers caused by ionizing radiation and radioactive contamination. The Group has also established the Standard Operating Procedures for Radiation Sources Installation & Return to ensure used radiation sources were returned to the manufacturer in the correct manner.

3. Equipment scrap and fine product reuse

If scrapped equipment is improperly disposed of, harmful substances within it may pose risks to the surrounding environment during improper dismantling processes, leading to severe environmental damage and pollution, which in turn affects the entire ecosystem. The Group’s equipment disposal procedures are established with environmental protection being the highest principle. Disposal methods include complete dismantling of the whole machine to separate reusable components and commissioning recycling companies to sort, recycle and dispose of parts in accordance with environmental protection regulations.

Legal Compliance

The products distributed by CHC are high-end medical equipment manufactured by internationally renowned brands. Prior to being sold in the domestic market, these products must undergo rigorous reviews and comply with the relevant regulations of the MOHW for medical device inspection and registration. All equipment is properly labeled or accompanied by instructions and usage guidelines in accordance with relevant laws and international standards. Therefore, there is no possibility of selling prohibited or disputed products. Additionally, during transportation, installation, and operation, the equipment must comply with relevant legal regulations and meet special standards for each category of products. In addition to adhering to domestic regulations, the Group also references international standards, imposing the strictest standards on itself to align with the highest international standards.

According to the Medical Devices Act announced by the MOHW on May 1, 2021, imported medical equipment must have a Chinese label and instruction leaflet. All large-scale medical devices distributed by the Group are directly labeled with Chinese labels by overseas suppliers, and other products are properly labeled prior to shipment. In response to new regulations, the group began to adopt Medical Device Quality Management System Regulations (QMS) for labeling operations following the implementation of the Medical Devices Act. The Chinese labels on products detail the Chinese product name, license number, product batch number (serial number), manufacturing date, manufacturer's name and registered address. If any medical equipment requires maintenance and other service, medical institutions can contact the relevant personnel in the Group's Technical Service Dept. using the information provided on the label for processing. The Chinese instructions for use will include product safety information and provide important product information to help users better understand the product. The Group has also developed procedural documents for the labeling and shipping process, which comply with the MOHW Good Distribution Practice for Medical Devices.

The main products distributed by the Group are large scale medical devices for radiation oncology departments, including linear accelerators, radionuclide radiotherapy systems, X-ray imaging systems, and proton therapy systems. All of the above products contain radioactive materials and must be strictly controlled and subject to rigorous radiation protection measures. Therefore, such products must obtain import/export permits from the Nuclear Safety Commission when imported or exported. After importation, they must undergo on-site inspections and testing by Nuclear Safety Commission personnel, and a usage license must be issued before patient treatment can begin. The radioactive sources for such equipment must also obtain approval from the Nuclear Safety Commision before import or export. For imports, suppliers will begin manufacturing after receiving the import approval letter from the Taiwan Nuclear Safety Commission. The product is transported by air from the manufacturing location to the domestic destination, undergoes custom clearance, and must be delivered to the destination by a freight company registered with the competent authority along the originally reported transportation route. Finally, it is installed on the machine according to a specific procedure. For used radioactive sources, export approval from the Nuclear Safety Commision must also be obtained. Spent radioactive sources must be placed in lead drums to prevent radiation leakage and environmental or personnel contamination. A professional freight company must be commissioned to transport the sources along the route planned by the local health department, with a proper crisis management plan in place to minimize the risks and environmental pollution during transportation.

For personnel who come into contact with medical equipment containing radiation during construction, installation, and operation, as well as the locations where such equipment is installed, the Group fully complies with the relevant regulations of the competent authorities to ensure radiation safety for personnel and the environment. CHC strictly manages the production, purchase, import (export), installation, operation, decommissioning, transfer, and disposal of radioactive materials and equipment capable of emitting ionizing radiation, as well as relevant operators and radiation protection personnel, are strictly regulated by the competent authorities through a rigorous licensing and permitting system. By strengthening self-management at each radiation work site, the Group aims to reasonably reduce radiation exposure for workers and enhance the quality of radiation-based medical services.

CHC strictly complies with the laws and regulations of the Taiwan Food and Drug Administration (TFDA) of the MOHW and the NSC to assist medical institutions in properly implementing related operations. The relevant regulations are listed below:

Relevant Laws & Regulations of TFDA of MOHW	
Medical Devices Act	Enforcement Rules of Medical Devices Act
Medical Device Quality Management System Regulations	Regulations for Medical Device Recalls
Good Distribution Practice for Medical Devices	Regulations for Reporting Serious Adverse Events of Medical Devices
Regulations Governing Inspection of Medical Device Quality Management System and the Issuance of Manufacturing License	
Relevant Laws & Regulations of NSC	
Provisions to Accredit and Administer Personnel Dose Assessment Org	Ionizing Radiation Protection Act
Announcment of Environmental Radiation Monitoring Operation Execution Unit, Designated Certification Organizations and Certification Elements	Enforcement Rules for Ionizing Radiation Protection Act
Precautions for Use of Radiation Warning Signs in Public Places	Standard of Fees Collection for Ionzing Radiation Protection Control
Regulations for Administration of Naturally Occuring Radioactive Material	Maintanance Plan and Management Measures for Personal Data Security of Ionizing Radiation Equipment Manufacturing
Precautions for Institutions Recruit Undertakers for Radiography Inspection Business	Guidelines for Radiation Protection Council in Academic Institution
Measures for Prevention and Handling of Radioactively Contaminated Sites	Specific Health Examination Items for Radiation Workers
Directions for On-Site Radiation Detection and Dose Assessment of Radioactively Contaminated Sites	Operational Guidelines for Handling Abnormal Dose Assessed on Radiation Workers
Annual Monitoring of Radioactive Materials and Equipment Capable of Emitting Ionizing Radiation	Specification of in Vitro Dose Assessment for Radiation Workers
Management Measures for Personnel Operating Radioactive Material Production Facilities	Operational Guidelines for Radiation Workplace Management and Outside Environmental Radiation Monitoring
Regulations for Safe Transport of Radioactive Material	Measures for Management of Radiation Protection Personnel
Management Measures for Operators of Equipment Capable of Emitting Ionizing Radiation	Letter of Interpretation for Article 3 and Article 7 of Regulations for Administration of Radiation Protection Personnel
Guidelines for Applying Transit and Transshipment (En Route) Permission of Radioactive Material	Regulations for Administration of Radiation Protection Service Related Business
Regulations on Management of Radioactive Materials and Equipment Capable of Emitting Ionzing Radiation	Radiation Protection Management Organizations and Radiation Protection Personnel Dtaffing Standards
Technical Specification for Respiratory Protection of Airborne Radioactive Material	Directions for Radioactive Roads with Abnormal Dose Assessed
Administrative Regulations for Operators of High Intensity Radiation Facilities	Criteria for the Exemption of Radiation Source
Standards for Radiation Dose Limit of Commodity	Regulations on Medical Exposure Quality Assurance Team, Assignment of Specialists, and commissioning of Jobs to Relevant Organizations
Environmental Radiation Detection Quality Assurance Specifications	Standards for Medical Exposure Quality Assurance
Environmental Radiation Monitoring Specifications	Directions for Label Insuance of Medical Exposure Quality Assurance
Environmental Radiation Monitoring Samples should meet acceptable minimum measurable standard	Standards for Severe Pollution of Environmental Radiation

CHC firmly believes that compliance with the regulations of the competent authorities and local medical device-related laws and regulations is the most basic requirement for sound business operations. Therefore, the Group has established a sound legal compliance system to ensure strict adherence to laws and regulations. Through promotion and education, the Group strengthens internal legal awareness to achieve the goal of compliance with relevant laws and regulations.

In 2024, the Group did not violate any health and safety regulations related to products and services, nor did it violate any regulations related to product and service information and labeling or marketing and communication regulations.

2.3 Customer Relations

CHC regards customer relationship management as a key priority for the Group’s sustainable development. The Group aims to provide services that exceed customer expectations, always considering matters from the customer’s perspective. This includes comprehensive planning and explanation of customers needs prior to sales, as well as after-sales maintanence and repair services, offering a one-stop, professional, considerate, and trustworthy service experience. To address the diverse needs and applications of customers, the Group also offers customized product solutions, complemented by professional marketing and maintenance services, with the aim of establishing long-term and stable trust based relationships with customers.

Addressing customer needs and opinions is the Group’s fundamental commitment to its customers. Therefore, the Group requires all customer service personnel to immediately handle every inquiry, compliment, or suggestion and seek appropriate solutions. After closing a case, they should systematically categorize and file it for subsequent analysis and review. For each customer complaint, they should gain a through understanding and keep track of the handling process. After the customer service center receives a complaint, they should immediately assign dedicated staff member to handle the case and propose appropriate solutions to ensure that the customer’s voice is fully reflected and properly addressed.

Interaction & Communication

Customer relationship management (CRM)

- Regular visits：Representatives from the sales and technical department regularly visit and contact customers proactively to better understand customer needs and build stronger relationships
- Actual Participation：Sales representatives should actively participate in product usage process and respond and handle product issues in a timely manner
- After-sales contact：Representatives from the technical department should check on the equipment's usage status one week after installation and maintanence
- Information exchange：Provide customers with regular updates on market and product info

CRM activitivities

- Seminars：Seminars are held aperiodically to share new findings and speakers to share experience
- User meetings：User meetings are arranged and speakers to share new knowledge and strengthen relationships with customers
- Exhibition of Societies：Set up booths at annual conferences or exhibitions for each department to showcase and promote new product features and interact with customers
- Workshop with hospitals: Invite experts to give lectures. Participants have better understanding of equipment through hands-on experience with actual medical devices
- Academic activities: Provide medical equipment and staff to assist in academic activities or camps for medical students

Customer feedback channels

- Customer service line: Each of the Group's operationing locations has a dedicated service hotline
- Questionnaire: Questionnaires are conducted after events hosted or co-organized by CHC
- Official website: The Group's official website has a section dedicated to stakeholders and contact info

Customer relationship management (CRM) activities in 2024

Customer Satisfaction Survey & Complaint Handling

Customer needs and feedback are the driving force behind the continuous improvement of CHC. To provide superior services and cultivate long-term, stable customer relationships, the Group has officially implemented the ISO 9001 Quality Management System and established a Customer Service Management Procedure in alignment with the Group’s quality policy. This framework ensures appropriate and effective responses to customer needs, thereby enhancing product and service quality. For the handling of customer complaints, the Group has established a comprehensive complaint-handling mechanism. Upon receiving a complaint, the situation is carefully reviewed and, depending on its nature, transferred to the relevant procedures for resolution. Once the case is closed, the related data and records are compiled and archived. In 2024, all customer complaints received by the Group have been properly addressed and responded to by the relevant departments, without any significant impact on the Group’s overall business or development.

In addition, to have a concrete understanding of product and service quality, the Group’s Taiwan business departments and technical departments conduct an annual customer satisfaction survey. Considering that customer satisfaction surveys should not interfere with customer daily operations as a top priority, each business department targets the top ten domestic customers by annual transaction amount for the survey (if the number of customers is less than ten, the actual number is used). The technical department conducts satisfaction surveys targeting domestic customers who regularly undergo product maintenance. For customers whose satisfaction levels fall below specific standards, the department reviews the causes and develops improvement plans, using customer feedback as the foundation to continuously enhance service quality. The statistical results of the Group’s customer satisfaction survey for 2024 and 2023 are as follows:

2024 Customer Satisfaction Survey - Sales Team (unit: person)						
	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Satisfaction
Reliability and usability of the product	17	14	1	1	0	94%
Quality and effectiveness of the product	20	12	1	0	0	97%
Data analysis accuracy and output report satisfaction	17	13	3	0	0	91%
Help at work	18	15	0	0	0	100%
Product quality versus expectations	19	12	1	1	0	94%
Professional competence of the sales representative	25	7	0	1	0	97%
Response efficiency of the sales representative	27	5	1	0	0	97%
Expertise and skills of the sales representative	24	8	1	0	0	97%
Reliability of the sales representative	27	5	0	1	0	97%
Performance of the sales representative	25	7	0	1	0	97%
Average satisfaction			**96%**			

Additional instructions:
Expected respondents: 33 (17 in the north, 6 in the central, 10 in the south)
Actual respondents: 33 (17 in the north, 6 in the central, 10 in the south)
No response: 0
Response rate: 100%
Satisfaction calculation method: (Highly satisfied + Satisfied) / Sum of all levels of satisfaction (including unanswered)
*Note: Considering the satisfaction survey questions of each sales team are slightly different, table above only lists common survey questions.

2023 Customer Satisfaction Survey - Sales Team (unit: person)						
	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Satisfaction
Reliability and usability of the product	23	7	2	0	0	94%
Quality and effectiveness of the product	19	11	2	0	0	94%
Data analysis accuracy and output report satisfaction	19	12	1	0	0	97%
Help at work	21	9	2	0	0	94%
Product quality versus expectations	22	7	3	0	0	91%
Professional competence of the sales representative	25	7	0	0	0	100%
Response efficiency of the sales representative	23	9	0	0	0	100%
Expertise and skills of the sales representative	23	8	1	0	0	97%
Reliability of the sales representative	21	9	2	0	0	94%
Performance of the sales representative	22	10	0	0	0	100%
Average satisfaction			**96%**			

Additional instructions:
Expected respondents: 32 (15 in the north, 8 in the central, 9 in the south)
Actual respondents: 32 (15 in the north, 8 in the central, 9 in the south)
No response: 0
Response rate: 100%
Satisfaction calculation method: (Highly satisfied + Satisfied) / Sum of all levels of satisfaction (including unanswered)
*Note: Considering the satisfaction survey questions of each sales team are slightly different, table above only lists common survey questions.

2024 Customer Satisfaction Survey – Technical Team (unit: person)						
	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Satisfaction
Professional competence	101	80	9	0	0	94%
Technical level of maintenance and attitude toward service	114	68	8	0	0	95%
Progress control and status report of maintenance	103	78	9	0	0	94%
To solve problems in time	100	75	14	1	0	91%
Resolution of duplicate error	90	62	37	1	0	79%
Software and hardware update or bulletin execution	85	78	27	0	0	85%
Education and training in medical information	88	77	24	1	0	86%
Reliability of the maintenance team	102	81	7	0	0	95%
Average satisfaction			**90%**			

Additional instructions:
Expected respondents: 192 (80 in the north, 50 in the central, 62 in the south)
Actual respondents: 190 (80 in the north, 48 in the central, 62 in the south)
No response: 2 (0 in the north, 2 in the central, 0 in the south)
Response rate: 99%
Satisfaction calculation method: (Highly satisfied + Satisfied) / Sum of all levels of satisfaction (including unanswered)

2023 Customer Satisfaction Survey – Technical Team (unit: person)						
	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Satisfaction
Professional competence	91	90	16	1	0	91%
Technical level of maintenance and attitude toward service	106	75	16	0	1	91%
Progress control and status report of maintenance	101	76	17	4	0	89%
To solve problems in time	97	77	19	4	1	88%
Resolution of duplicate error	88	81	21	7	1	85%
Software and hardware update or bulletin execution	82	82	28	5	1	83%
Education and training in medical information	91	77	25	3	2	85%
Reliability of the maintenance team	100	78	19	0	1	90%
Average satisfaction			**88%**			

Additional instructions:
Expected respondents: 198 (87 in the north, 47 in the central, 64 in the south)
Actual respondents: 198 (87 in the north, 47 in the central, 64 in the south)
No response: 0
Response rate: 100%
Satisfaction calculation method: (Highly satisfied + Satisfied) / Sum of all levels of satisfaction (including unanswered)

Customer Privacy

Customers' trust in CHC is a crucial component of customer relationships. In addition to the high-end medical devices and high-quality technical services provided by the Group, which have earned the long-term favor of customers, the foundation of mutual trust is one of the primary reasons why many customers choose the Group as their partner. Therefore, CHC is committed to protecting customer privacy to ensure that customer interests are not compromised. The Group pledges to provide the highest level of protection for all customer-related information.

The Group provides medical equipment and technical support to its clients, adhering to legal regulations and protecting customer privacy as the most basic operational guidelines for its employees. Since staff members from both the business department and technical department are frontline personnel who directly interact with clients, they not only have access to confidential client information but may also come into contact with the personal information of patients receiving treatment. In response, the Group has specifically designed relevant course topics for employees in these two departments as part of their formal pre-employment training. These programs cover topics such as laws and regulations related to customer privacy and medical ethics standards. Particular emphasis is placed on strengthening awareness of information protection in medical procedures and customer-related matters.

Before promoting the Group's products and services, those from the sales department must undergo adequate training. The Group arranges for sales personnel to strengthen their understanding of legal and ethical issues related to marketing communications to ensure that all personnel comply with fair competition rules and protect customer rights. Regarding the protection of customer data, the Group complies with the Personal Data Protection Act and will never disclose customer basic data without the customer's consent. Additionally, employees who come into contact with patient personal information, medical records, or customer information systems within the scope of their duties are prohibited from probing, querying, or disclosing such information. They are also prohibited from discussing confidential matters related to individuals and customers with non-authorized personnel. The Group has signed confidentiality agreements with all clients and strictly adheres to them. Through multiple policies, the Group actively ensures the security of confidential customer data.

The Group has not received any confirmed complaints regarding breaches of customer privacy or loss of customer data in 2024.

Management System

Given the significant influence of customer relations on corporate operations, CHC has been implementing internal management systems in accordance with the principles and framework of the ISO 9001 quality management system since 2017. This enables the Group to effectively handle and manage equipment maintenance cases. Additionally, to ensure that the products and services required by customers are clearly defined and appropriately reviewed during the order transaction process, an order review management procedure has been established. Furthermore, to ensure that products meet customer requirements, appropriate and effective improvement measures and preventive actions are taken in response to customer complaints or returns/exchanges to prevent recurring issues, and a customer service management procedure has been developed.

Although there is currently no ongoing certification, the Group continues to follow ISO 9001 principles and procedures to carry out quality management operations, ensuring operational quality and customer satisfaction.

Ch.3 Employee Caring

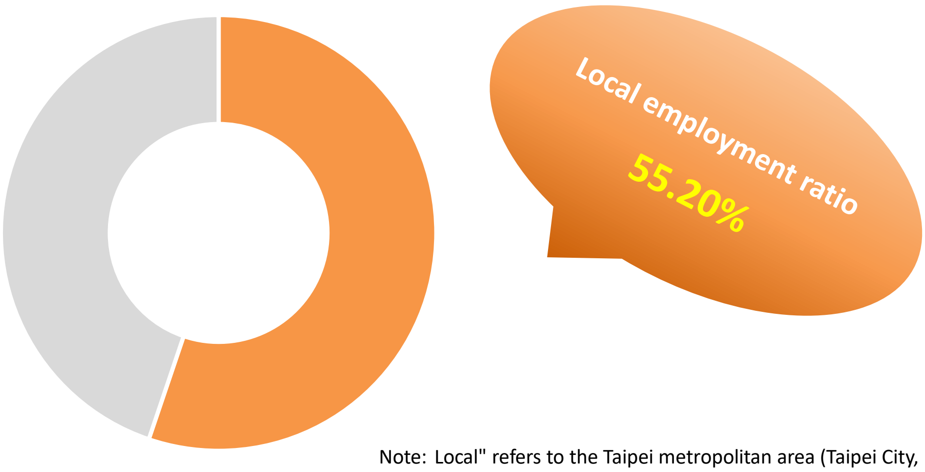
3.1 Human Resource Management

Employees are CHC's most critical asset and a key partner for the sustainable development of the corporation. Excellent talents can help the Group to maintain its market competitiveness. The Group strives for a balanced workforce structure in day-to-day operations. Recruitment is based on the principle of meritocracy and competence, aiming to have positive effects on overall operational performance. As of December 31, 2024, the Group had a total of 405 full-time employees: 375 in Taiwan (92.59%), 26 in China (6.42%), and 4 in Indonesia (0.99%). Of the total workforce, 219 were female (54.07%) and 186 were male (45.93%). The average age of full-time employees was 38.0 years, with an average tenure of 6.58 years.

When recruiting employees across different countries, the Group does not impose restrictions based on nationality and respects diversity in its workforce. The total headcount was 405 employees, comprising 92.35% Republic of China (Taiwan) nationals, 5.67% Chinese nationals, 0.99% Indonesian nationals, and 0.99% from other nationalities (including Hong Kong, Malaysia, the United States, etc.).

The proportion of local hires at each operating site is as follows:
In Taiwan, 98.93% of employees are Republic of China nationals, with four employees of other nationalities. In China, 88.46% of employees are Chinese nationals, along with three employees from the Republic of China. In Indonesia, 100.00% of employees are Indonesian nationals.

The Group also places great importance on fostering a positive relationship with the communities in which it operates. As the Group's main operating base is the headquarters located in Taipei City—and considering that Taipei City, New Taipei City, and Keelung City are all part of the Taipei Metropolitan Area—the Group designates the Taipei Metropolitan Area as its primary place of operation.



Note: Local" refers to the Taipei metropolitan area (Taipei City, New Taipei City, and Keelung City).

In 2024, the proportion of local manpower employed by the Group in Taiwan, where the company primarily operates, reached 55.20%. This includes 18.93% of employees whose place of domicile or residence is Taipei City, 28.27% in New Taipei City, and 8.00% in Keelung City. Nearly 60% of employees are considered local talents in the Group's main area of operation, reflecting the Group's active efforts to implement manpower localization and enhance community recognition.

The Group provides stable and secured job vacancies at each operating location and prohibits discrimination on gender or any form of discrimination to ensure all colleagues can contribute their strengths in a work environment of respect, mutual trust, diversity, harmony, and equality, and create a win-win situation for the enterprise and employees.

Employee Distribution

Employee Distribution		Female		Male	
		Total	% of total	Total	% of total
Age	Under 30	60	14.81%	40	9.88%
	30~50	136	33.58%	128	31.60%
	Over 50	23	5.68%	18	4.44%
Job description	Full-time job	180	44.44%	148	36.54%
	Part-time iob	13	3.21%	1	0.25%
	Management position	26	6.42%	37	9.14%
Education	Senior / Vocational high school	19	4.69%	14	3.46%
	Junior college	24	5.93%	14	3.46%
	Bachelor	155	38.27%	130	32.10%
	Master	21	5.19%	26	6.42%
	Ph.D.	0	0.00%	2	0.49%
Position	Taiwan	201	49.63%	174	42.96%
	China	17	4.20%	9	2.22%
	Indonesia	1	0.25%	3	0.74%
Subtotal		219	54.07%	186	45.93%

Analysis of Employee Turnover

New employee hires		Under 30		30~50		Over 50		Total	% of total
Position	Gender	Total	% of total	Total	% of total	Total	% of total		
Taiwan	Female	34	8.40%	66	16.30%	11	2.72%	111	27.41%
	Male	18	4.44%	19	4.69%	3	0.74%	40	9.88%
China	Female	-	-	2	0.49%	-	-	2	0.49%
	Male	1	0.25%	-	-	-	-	1	0.25%
Indonesia	Female	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-
Subtotal								154	38.02%

Employee turnover		Under 30		30~50		Over 50		Total	% of total
Position	Gender	Total	% of total	Total	% of total	Total	% of total		
Taiwan	Female	18	4.44%	32	7.90%	4	0.99%	54	13.33%
	Male	13	3.21%	9	2.22%	1	0.25%	23	5.68%
China	Female	-	-	-	-	-	-	-	-
	Male	-	-	1	0.25%	-	-	1	0.25%
Indonesia	Female	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-
Subtotal								78	19.26%

Analysis of Unpaid Parental Leave

CHC provides female employees with menstrual leaves and leaves for pregnancy checkups and male employees with leaves for pregnancy checkup accompaniment, as well as family care leaves and parental leaves without pay. Any employee who meets the relevant application qualifications can apply to the Human Resource & General Affairs Dept., and the Group will fully assist employees with reinstatement after unpaid parental leaves. Due to differences in regulations, the policies regarding parental leave without pay do not apply to employees of Chinese or Indonesian nationality.

Relevant statistical results on unpaid parental leaves for the Group in 2024 are as follows:

Statistics on Employees Taking Unpaid Parental Leave				
	Region	**Female**	**Male**	**Total**
Number of employees entitle to unpaid parental leave in 2024	Taiwan	8	10	18
	China	-	-	-
	Indonesia	-	-	-
Number of employees take unpaid parental leave in 2024	Taiwan	5	-	5
	China	-	-	-
	Indonesia	-	-	-
Number of employees return to work in 2024 after taking unpaid parental leave	Taiwan	-	-	-
	China	-	-	-
	Indonesia	-	-	-
Number of employees are expected to return to work in 2024 after taking unpaid parental leave	Taiwan	-	-	-
	China	-	-	-
	Indonesia	-	-	-
Number of employees retain for one year after returning to work from unpaid parental leave in 2023	Taiwan	1	-	1
	China	-	-	-
	Indonesia	-	-	-
Number of employees return from unpaid parental leave in 2023	Taiwan	1	-	1
	China	-	-	-
	Indonesia	-	-	-
Application rate *note 1	Taiwan	27.8%		
	China	0.0%		
	Indonesia	0.0%		
Return to work rate *note 2	Taiwan	100.0%		
	China	0.0%		
	Indonesia	0.0%		
Retention rate *note 3	Taiwan	100.0%		
	China	0.0%		
	Indonesia	0.0%		

*Note 1: Number of employees take unpaid parental leave in the current year / Number of employees entitle to unpaid parental leave in the current year * 100%

*Note 2: Number of employees return to work in the current year after taking unpaid parental leave / Number of employees are expected to return to work in the current year after taking unpaid parental leave * 100%

*Note 3: Number of employees retain for one year after returning to work from unpaid parental leave in the previous year / Number of employees return from unpaid parental leave in the previous year * 100%

3.2 Friendly Workplace

Labor / Management Relations

CHC aims to create a friendly workplace with equal consideration of diversity and non-discrimination, provides a sound labor-management communication platform, a solid welfare system, and a reasonable salary policy, and strives to create a win-win employment relationship. The Group highly praises Decent Work, never allows any violation of employee dignity, human rights, or any form of discrimination, never discriminates in favor of gender, nationality, race, skin color, and political stance on wages and welfare, and actively establishes a working environment that values human rights and is free from discrimination and harassment.

If the Group encounters major operational changes that lead to personnel changes and is necessary to terminate the labor contract with the affected employees, the Human Resource & General Affairs Dept. must follow the minimum notice period stipulated by the relevant laws and regulations, communicate with the affected employees, or announce or notify them through internal channels. An employee who has worked continuously for more than three months but less than one year shall be noticed ten days in advance. An employee who has worked continuously for more than one year but less than three years shall be noticed twenty days in advance. An employee who has worked continuously for more than three years shall be noticed thirty days in advance.

In addition to providing a safe and comfortable working environment and complete wages and welfare packages, CHC also hopes to further understand the life of employees through formal human resources channels and daily communication. The Group attaches great importance to the participation of employees' families when planning various corporate activities and hopes to look after employees and their families to build a sense of identity and form a harmonious labor-management relationship. The Group also convenes labor-management meetings quarterly to discuss various labor-management issues with an open-minded approach, which serves as a formal channel for listening to employees and for creative thinking about employee benefits.

Although CHC has not established a labor union and has no relevant consultations, the Group does not neglect the importance of labor-management relations and does believe the harmony between labor and management can create a win-win situation for both corporate and staff. The labor-management measures of the Group are implemented following the labor-related laws and regulations (including the Labor Standards Act, Occupational Safety and Health Act, Labor Insurance Act, etc.) stipulated by the competent authorities. CHC actively protects labor rights and interests, commits to creating a high-quality, safe and stable working environment, strictly regulates the occupational health and safety of the workplace, and takes good care of employees' physical and mental health.

Because the Group regards employees as the most important corporate asset and cherishes all its colleagues, the labor-management relationship has been quite harmonious since the establishment of the enterprise. There are no incidents of discrimination, no child labor, no violation of employees' human rights, no forced labor or violation of employees' interests, and no loss due to labor disputes in 2024.

Employee Welfare

CHC works on creating a working environment that allows employees to have no concerns, strives to improve diverse systems, and provides various and comprehensive employee welfare, to let every staff and their family enjoy a pleasant life and feel the Group's care for employees.

1. Wage system

CHC attracts outstanding talents and motivates employees based on a fair and competitive wage system. Employee wage structure is determined via the performance appraisal system by linking the overall corporate and department goals with individual performance. Through an open and transparent promotion mechanism, the Group promotes outstanding talents to drive organizational development and provide them with further responsibilities and better wages and bonuses. CHC is also committed to treating different genders equally, with the goal of achieving equal pay for equal work and equal promotion opportunities for males and females, to achieve sustainable economic growth. The distribution of female colleagues for the Group in 2024 is as follows:

Item	2024	2023
Ratio of female employees to all employees	54.07%	45.25%
Ratio of female non-managerial employees to all non-managerial employees	56.43%	47.79%
Ratio of female managerial employees to all managerial employees	41.27%	33.33%

In general, besides monthly salaries for twelve months, employees' wages of performance bonuses or year-end bonuses are paid depending on corporate overall operating results and guide to employee bonuses after performance evaluation at the end of the year following the Employee Performance Appraisal System of the Group. The average performance/year-end bonuses paid to individual employees in 2024 are equivalent to 2.9 months of salary. The Group also disclosed the statistics of employee welfare and wages in 2024 under regulations of the Taiwan Stock Exchange, and relevant information is as follows:

Statistics of Employee Welfare and Wages		
Item	2024	2023
Number of full-time employees in non-executive positions	203	141
Average wages of full-time employees in non-executive positions	NT$927 thousand	NT$1,043 thousand
Median wages of full-time employees in non-executive positions	NT$762 thousand	NT$867 thousand
Annual adjustment of average wages	1.0%	2.0%

Note:

- The ratio of the annual total compensation for the organization’s highest-paid individual to the median annual total compensation for all employees is 12.9 to 1 in 2024.
- The ratio of the percentage increase in annual total compensation for the organization’s highest-paid individual to the median percentage increase in annual total compensation for all employees is 0.057 to -1 in 2024.
- Due to the expansion of the Group’s business portfolio in 2024 and the addition of new business entities, the number of full-time employees in non-supervisory positions increased significantly, resulting in a slight decline in all related indicators.
- The number of full-time employees in non-supervisory positions listed in this table is calculated based on the significant subsidiaries defined under the CPA-audited and certified financial reporting standards.

In addition, the Group also shares profits with employees and rewards employees for their hard work through employee compensations and employee share allotment. The related descriptions are as follows:

(1) Annual employee compensation distribution: According to Article 24-1, paragraph 1 of the Articles of Incorporation: When allocating the profit of current year (profit before tax and compensations for employees and remunerations for directors), accumulated losses shall be first covered, and then set aside no less than 0.05% of the balance as compensations for employees. Annual employee

compensation is distributed following the Guide to Employee Compensation Distribution and is paid at the end of June every year.

(2) employee share allotment: Stock ownership, cash capital increase subscription, and issuance of employee stock options are handled according to the overall corporate operation needs, and relevant measures are formulated for employees to follow.

2. Comprehensive and considerate welfare system

(1) Insurance plan: To fully protect all the employees, the Group provides every employee with labor insurance and national health insurance following the law. In addition, the Group also insures against group insurance, which covers life insurance, casualty insurance, health insurance, and cancer insurance. Each employee joins the group insurance program from the day of registration. Any employee taking unpaid leave due to military service, major injury, or childcare can still participate in the program to obtain insurance coverage continuously.

(2) Holiday bonus: The Group distributes holiday bonus during the three major festivals of Lunar New Year, Dragon Boat Festival and Moon Festival, wishing colleagues a happy holiday.

(3) Retirement mechanism: The Group has established a sound employee pension system and retirement-related measures following the Labor Standards Act. Under the Labor Pension Act, 6% of each employee's monthly salary is paid to the individual account in the Bureau of Labor Insurance (BLI) as the labor pension per month. With a sound financial structure, the Group provides solid pension deposits and payments.

(4) Healthcare management: In addition to fully subsidizing the health examination for recruits, the Group regularly applies to the BLI for occupational accident examination every year, which covers basic checkups, advanced checkups, and other items, and conducts annual health examinations for all employees every two years.

(5) Staff dormitory: Considering the needs for short-term travel and the safety and convenience of long-distance commuting employees, the Group has staff dormitories to provide a comfortable living environment for employees on business trips or training.

(6) Staff lounge and tea station: To keep colleagues from being disturbed in their resting time, the Group has set up an independent employee lounge separated from the daily office area, and there is also a tea station on each floor for colleagues to use nearby.

(7) Year-end party: To thank colleagues for their daily hard work, the Group regularly organizes a year-end party before the Lunar New Year every year, inviting employees to have fun together and enhance team cohesion through various fun games simultaneously.

(8) Employee welfare committee: The Group has established the CHC Employee Welfare Committee following the law, actively putting various employee welfare into practice. Expenditures related to employee welfare in 2024 and 2023 are as follows:

(Unit: NT$)

Year	Funeral subsidy	Medical subsidy	Marriage subsidy	Travel subsidy
2024	$28,000	$3,600	$36,000	$1,417,825
2023	$28,000	$8,400	$36,000	$2,732,560
Year	**Birthday bonus**	**Maternity subsidy**	**Advanced study subsidy**	**Holiday bonus**
2024	$92,000	$40,000	$5,000	$264,000
2023	$86,000	$24,000	$25,890	$255,000

3. Retirement mechanism and implementation status

(1) For work seniority before and after the application of the Labor Standards Act, pensions are calculated following the standards specified in Article 84-2 and Article 55 of the above Act.

(2) For the choice of being subject to the pension plan as stipulated in the Labor Standards Act according to the Labor Pension Act or reserving work seniority accumulated before the applicability of the Labor Pension Act, pensions are paid according to the provisions of the preceding subparagraph.

(3) For employees being subject to the pension plan stipulated in the Labor Standards Act and being forced to retire according to subparagraph 2, paragraph 1 of Article 55, if the disability is incurred from the execution of their duties, an additional 20% on top of the original pensions are paid following the preceding subparagraph.

(4) For employees being subject to the Labor Pension Act, the Group deposits 6% of each employee's monthly salary into the individual pension accounts.

(5) Eligibility for retirement and application procedures are briefly described as follows:

- Employees may apply for retirement if they meet any one of the following conditions:
  - Has worked for 15 years or more and reached the age of 55.
  - Has worked for 25 years or more.
  - Has worked for 10 years or more and reached the age of 60.
- The Company may not force employees to retire unless they meet any one of the following conditions:
  - Reached the age of 65, or a later retirement age as mutually agreed upon by both the employer and the employee.
  - No longer able to work due to insanity or physical disability.

  For employees engaged in work of a special nature—such as hazardous duties or roles requiring exceptional physical strength—the retirement age may be adjusted by the Company with approval from the central competent authority. However, the retirement age may not be set lower than 55.
- The determination of retirement age shall be based on household registration records and shall be calculated from the date of birth.
- How to calculate seniority: If an employee has any of the following circumstances, his/her seniority shall be counted together:
  - He/She obtained approval
  - He/She is still in the probationary period
  - He/She is officially transferred from the Company to a wholly owned subsidiary, either directly or indirectly held by the Company, may have their years of service at both the Company and the subsidiary combined.
- Application for retirement must be submitted in writing one month in advance.

4. Employee Stock Ownership Trust

CHC has implemented an Employee Stock Ownership Trust in 2024 and had established the CHC employee association of shareholders in 2024.Under this plan, a fixed amount will be deducted from each member’s monthly salary, while the Group will contribute a certain percentage as an incentive. These funds will be managed through a trustee by long-term investing in the stock of the Company. The initiative aims to cultivate employees' understanding of long-term savings, investment, and financial management while helping them accumulate personal retirement wealth.

The Group does not determine wages or welfare to employees depending on their gender, marital status, religion, race, nationality, or political spectrum, and no employees have ever complained about wages and welfare or labor-related issues.

Occupational Health & Safety

Besides following the government's laws and regulations related to health and safety, CHC follows the principles of ISO 45001 to establish, then formulated and implemented the guideline for occupational health and safety management, to ensure the safety and well-being of employees. With the goal of zero occupational accidents, the Group strengthens self-management and continuously improves occupational health and safety performance to reduce occupational accidents, protect the safety and health of employees and meet the needs of the competent authorities, customers, employees, and other stakeholders.If there are any requirements or concerns regarding the occupational health and safety management system from internal or external parties, the Human Resource & General Affairs Dept. may be contacted by way of email, phone, or in-person meetings for communication and resolution.

All employees of the Group shall abide by various procedures and norms stipulated in the guideline for occupational health and safety management and maintain the effective operation of the occupational health and safety management system. The Group's occupational health and safety policy includes the following four principles, construct a management system to enhance risk management, strengthen education and training to comply with health and safety regulations, continue to improve and pursue a safe environment, and make ultimate use of limited resources to create sustainable development.

1. Safety

CHC relevant departments of the Group follows the principles of ISO 45001, follow the Emergency Disaster Response Management Procedures (SP-05) and Automatic-Inspection Management Procedures (SP-11). Each year, the Group carries out a range of workplace environment improvement measures, office area cleaning, air-conditioning maintenance, and inspections, maintenance, and servicing of fire safety equipment, along with other environmental and facility checks, to ensure a safe working environment for all employees.

In addition to the environmental safety of the office area, the Group, following labor laws, the Occupational Safety and Health Act, the definition of occupational accidents in the Occupational Health and Safety Operation Control Procedures (SP-08) of ISO 45001 Occupational Health and Safety Management System, and concerning the Regulations of the Examination of Injuries and Diseases Resulting from the Performance of Duties by the Insured Persons of the Labor Occupational Accident Insurance, has established a clear identification standard for workers applying for occupational sick leave and divides the occupational accidents into three categories comprising accidents while on duty, accidents on business trips and accidents on the way to and from get off work. Employees can take occupational sick leave once confirming meeting the relevant criteria. The Group also has organized occupational health and safety training and disaster prevention education every year since 2018, to let employees understand and abide by relevant rules, and to implement occupational health and safety management. The statistical information on occupational injuries and fire accidents in 2024, as well as information of occupational health and safety training in 2024, are as follows:

Statistical Information on Occupational Injuries and Fire Accidents in 2024			
Occupational injury cases	Number of fire accidents	Number of casualties due to fire accidents	Number of casualties as a percentage of all employees
10	0	0	0%
All of occupational accidents (including traffic accidents on the way to and from get off work) in 2024 are minor injuries. In the future, CHC will continue to look after employees and enhance safety dissemination.	If the incident occurs, it will be handled in accordance with the Emergency Response Plan.		

Information of Occupational Health and Safety Training in 2024			
Course	Date (Hours)	Attendance	Venue
Annual fire frill - Self-defense fire organization, education and training in fire prevention and emergent response	Apr.21 (2 hour)	13	Miaoli plant
Sharing the “Mental Health Support System for Young and Middle-Aged Adults (Aged 15–45)”	Aug.6	190	Internal announcements via email (Taipei office, Miaoli plant, Taichung office, Kaohsiung office)
Annual fire frill - Self-defense fire organization, education and training in fire prevention and emergent response	Sep.25 (4 hour)	13	Miaoli plant
Sharing the “Hypertension introduction from HPA”	Oct.11	190	Internal announcements via email (Taipei office, Miaoli plant, Taichung office, Kaohsiung office)
Annual fire frill - Self-defense fire organization, education and training in fire prevention and emergent response	Nov.21 (1 hour)	49	CHC’s headquarters (Taichung office and Kaohsiung office participated through video conference.)
Comprehensive guide to weight loss	Dec.2 (1 hour)	15	CHC’s headquarters (Taichung office participated through video conference.)
Prevention of sexual harassment and workplace bullying	Dec.2 (1 hour)	78	CHC’s headquarters (Miaoli plant, Taichung office, Kaohsiung office, and overseas subsidiaries participated through video conference.)

2. Health

In addition to providing labor insurance and health and depositing pensions according to laws and regulations, CHC also furnishes employees with group insurance and subsidizes health examinations for recruits. Moreover, following the Health Examination Management Procedure (SP-15) in ISO 45001 Occupational Health and Safety Management System, the Group conducts annual health examinations every two years to take care of employees' health. In accordance with regulations of healthcare professionals' on-site health service, CHC has cooperated with Yeezen General Hospital to provide on-site nurse consultation services for 4 hours each time once a month, and on-site consultation services with doctors for 4 hours each time once a year since January 1, 2022.

According to the Regulations for Labor Health Protection, the tasks with special health hazards in the Group belong to the ionizing radiation business, and employers involved in high risk are engineers in Technical Service Dept. Besides the list of personnel engaged in ionizing radiation business submitted by the administrative staff of the department, the Human Resource & General Affairs Dept. also applies to the BLI for special health examinations for those involved in tasks with special health hazards to protect the health of employees through regularly following up with their physical conditions. To ensure the safety and health of relevant employees in a more timely manner and achieve the goal of reasonably reducing the radiation dose, the Group applied to the Radiation Protection Association R.O.C. for film badge dosimeters, using thermoluminescent dosimeters to monitor the external radiation doses received by engineers, and equipping with a complete registration operation and recycling mechanism to avoid mistaking of borrowing.

Furthermore, CHC believes that exercise is key to health. To strengthen the physical and mental health of employees and encourage employees to make exercise a daily habit, the Group has built an exercise space with fitness equipment for employees. And the Group continues to hire external coaches to offer professional sports training, expecting to strengthen employees' immune systems, stretch the body, reduce mental stress, and bring positive power to individuals and groups through exercise.

Apart from the above measures related to occupational health and safety, to prevent sexual harassment in the workplace, the Group has formulated the Establishing Measures of Prevention, Complaint and Punishment of Sexual Harassment at Workplace, set up an exclusive complaint channel, strictly prohibits any sexual harassment, gender discrimination, violence, threats, and intimidation, making every effort to build a gender equality, happy, and safe working environment. There are no incidents of discrimination in 2024.

Workplace Norms

All staff of CHC is responsible for engaging in business activities under the highest ethical standards and maintaining the reputation of the Group. In addition to strictly complying with relevant national laws and regulations, all colleagues must also adhere to the principle of good faith. The Group adopted the Code of Ethical Conduct and the Procedures for Ethical Management and Guidelines for Conduct and published the two internal management measures on the official website in 2014, to regulate the ethics and responsibilities of all employees when engaging in business. The normative scope covers individual employees, employee groups, the Group's relationship with the public, and the Group's relationship with other stakeholders. CHC regularly (at least once a year) reports to the Board of Directors the implementation results of the designated unit in charge of corporate ethical management. The Procedures for Ethical Management and Guidelines for Conduct and the Code of Ethical Conduct consist of operating procedures, behavior guidelines, disciplinary measures, and complaint systems. Also, the Group requires recruits to sign a moral statement when they officially join CHC and ask them to comply with it. In 2016, the Group established a Whistle-Blowing System to actively maintain corporate reputation, protect property safety, avoid and prevent corruption, theft, embezzlement, or other violations of law and discipline which may infringe upon the rights and interests of stakeholders such as shareholders, employees, counterparties and partners. In addition, members of the Board of Directors and management team of the Group all faithfully perform their duties with the due care of good administrators and with high self-discipline and prudence.

The Code of Ethical Conduct is mainly to guide the directors and managerial officers of the Group to act in compliance with ethical standards. The Procedures for Ethical Management and Guidelines for Conduct apply to the directors, managerial officers, employees, mandataries, and persons having substantial control over the Group. The Whistle-Blowing System applies to the employees of the Group, relevant external units, and relevant individuals. The above three internal policies stipulate regulations of conflicts of interest, prohibition of accepting improper benefits, gratuities, entertainment, etc., and specify prevention mechanisms for potential corruption risks. Besides, the Group regularly conducts internal audits on the daily operating procedures to reduce the possibility of corruption through effective internal control mechanisms and internal control self-inspection.

If colleagues or business partners of CHC have any doubts about the illegal or unethical behavior stated in the relevant policies, they can directly contact the responsible unit of the Group. Any violations are handled according to the severity of the circumstances. For serious violations, employees involved are subject to necessary disciplinary measures or even dismissal. The Code of Ethical Conduct, the Procedures for Ethical Management and Guidelines for Conduct, and the Whistle-Blowing System are the prime directive for all employees of the Group. The dedicated unit arranges internal dissemination at least once a year. Also, the Group combines employee ethical behaviors with performance appraisal and establishes a clear and effective mechanism of reward, punishment, and appeal to strengthen the implementation of workplace norms. The heads of all departments must fulfill their supervision duties to ensure that their colleagues abide by corporate regulations.

Legal Compliance

CHC abides by the principles revealed in the International Bill of Human Rights and respects internationally recognized basic labor human rights, such as prohibiting child labor, eliminating employment and occupational discrimination for the purpose of fulfilling social responsibilities, and protecting the human rights of all colleagues, customers, and stakeholders. In the meantime, the Group has formulated relevant management policies and procedures and strictly complies with local labor-related laws and regulations to protect the rights and interests of employees.

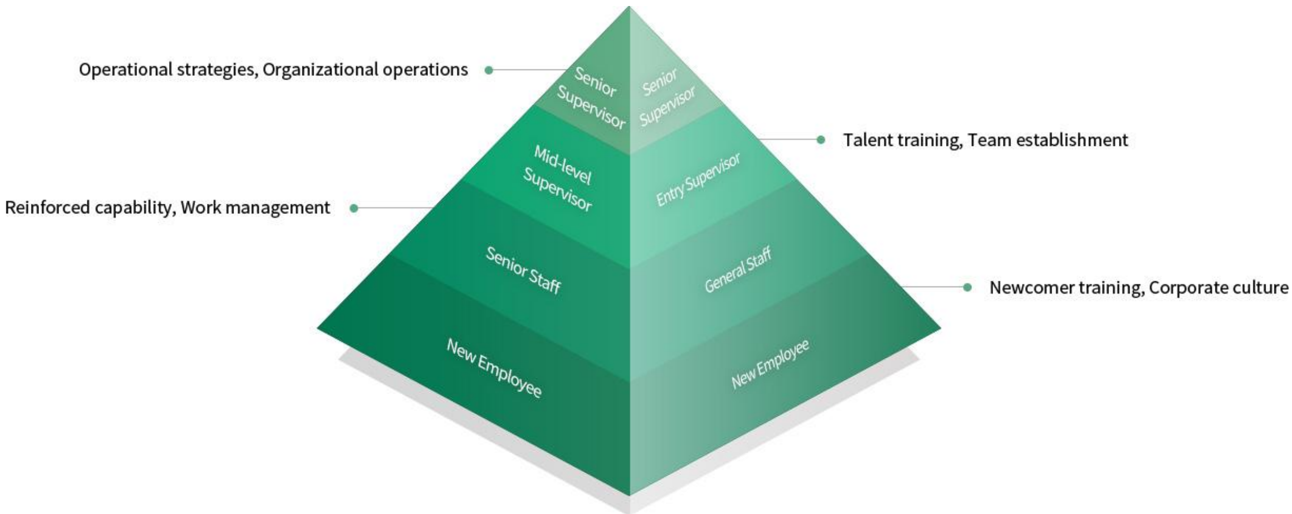
Human Rights Policy

CHC respects and supports internationally recognized regulations and principles for human rights, including the Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. The Group abides by local laws and regulations and strives to minimize human rights risks or reduce the impact of human rights incidents through remedial measures. The human rights policy of the Group consists of five management principles, prohibit any kind of discrimination, prohibit forced labor and child labor, provide equal and reasonable wages and working conditions, establish a safe, hygienic, and healthy working environment, and periodically conduct review and assessment on relevant systems.

3.3 Training & Education

Talent Cultivation

CHC focuses on the cultivation of talents. Through job rotation and overseas training, the Group assigns important duties and challenges to colleagues to broaden their horizons, looking forward to cultivating professional and leadership talents from within the enterprise and striving for both individual career and corporate development growth.



For management training, CHC trains the supervisors for the ability to combine Sustainability Leadership with performance, emphasizes creating value together with their colleagues, and strengthens the concept and practice of ownership. In the general course, supervisors guide colleagues to take advantage of group synergy for challenges and work together to break through obstacles and create value. With strategic cultivation training incorporating personalized educational training and appraisal system, the Group annually formulates indicators according to organizational development and personal career development to enable all employees in various stages to acquire opportunity in participating in management training, perfectly integrating into the basic training for elite preservation to stride toward excellence.

Reward Regulation for Educational Training and Professional Certification

The Group firmly believes sustainable development is still the basic principle of corporate operation, and talents are the foundation of sustainable development on business expansion. Although the programs and hours of education and training vary by position, the training opportunities never differ by gender. In addition, to improve the skills of colleagues, enhance work knowledge, and reserve technical and management talents to support the Group's business development, and seek effective use of manpower, the Group has formulated the Reward Regulation for Educational Training and Professional Certification, encouraging employees to work on self-enhancement and obtain professional certification to enhance individual competitiveness. The Group's subsidy regulations for training and certification are as follows:

1. Education and training

(1) Orientation training: Recruits in all departments are given guidance to understand the Group's organization, business overview, occupational health and safety, standard operating procedures, and other skills.

(2) Internal training: Improve the basic and professional competence of each position to strengthen the professionalism of each department.

(3) External training: To strengthen professional skills, leadership, and coordination ability as a supervisor based on each colleague's needs or job title.

(4) Overseas training: In line with the development of the Group or the needs of future work, appropriate personnel picked by the department head goes abroad for professional training.

2. Application and allocation of diverse professional certification awards

The Human Resource & General Affairs Dept. of the Group divides various professional certifications into Level A (difficult), Level B (moderate), and Level C (basic). A comparison of each professional certification is stated in the certification level comparison chart to be followed. After colleagues submit application materials, the Group gives out rewards according to the regulations, hoping to increase the motivation of colleagues for self-enhancement after work and to prepare for the reservation of corporate technical and management talents.

Employee Performance Appraisal System

To effectively evaluate the work performance of managerial officers and employees, and to have an objective understanding of their capability, integrity, and competency as a reference for promotion, salary adjustment, training, and bonus allocation, the Human Resource & General Affairs Dept. of the Group has established the Employee Performance Appraisal System and Managerial Officer Performance Appraisal and Compensation Standards. In addition to conducting the annual performance appraisal for the current year and annual performance development plan for the coming year, the Group also has monthly personnel appraisals to reflect the work performance of colleagues in time, intending to improve the performance of individuals, departments, and the organization as a whole.

In 2024, 100% of the Group's colleagues participated in the performance appraisal. The main content in the performance appraisal includes goal setting, empowerment, communication and counseling, the connection between performance and bonus, career development, etc., aiming to reward employees promptly through the system.

Implementation of Educational & Training in 2024

Since its inception, CHC has adhered to the principle that employees are the Group’s most vital asset and has dedicated itself to strengthening professional competencies and cross-departmental collaboration. In 2024, the Group commissioned two large-scale thematic training programs and revamped the supervisor management courses into a more widely applicable advanced format, allowing all employees to participate and thereby enhancing overall work performance and teamwork. This initiative also facilitated communication between supervisors and colleagues, further reinforcing team cohesion. The following presents the statistics of employee education and training courses organized by the Human Resource & General Affairs Dept in 2024:

Implementation of Educational & Training in 2024				
Course	Number of sessions	Attendance	Hours	Expenditure (NT$)
General training courses - - Enhancing presentation skills	1	33	7	85,000
General training courses - - Mastering proposal presentation skills	1	26	7	53,500
Total	**2**	**59**	**14**	**138,500**


2024 General training course

In addition to maintaining product training courses focused on strengthening individual job skills, the Group conducts an annual training survey in the fourth quarter of each year, then holds competency-based training, product training, keynote speeches, and various seminars based on the annual education and training plans proposed by each department. Colleagues are also provided with independent learning channels through online learning platforms to enhance their professional skills.

In the future, the Group will continue to establish a complete training system for personnel training, implement training at each stage step by step, ensure that employees are equipped with job-related competence to improve work efficiency and develop employee skills following the future business strategy to cultivate talents needed for sustainable development of an enterprise.

Ch.4 Environmental Sustainability

4.1 Environmental Policy

Global climate change is one of the environmental issues that the United Nations and governments of each country have paid great attention to in recent years. Since CHC is a member of the global village, environmental protection has become its responsibility and obligation. The Group always attaches great importance to environmental protection issues. Although CHC is not in the manufacturing industry and does not engage in R&D and manufacturing, it still adheres to the environmental sustainability concept, actively encourages office energy saving and carbon reduction in the office space, and adopts related environmental policies.

The Group deeply understands that a sustainable development enterprise is a corporate that lives in balance with the environment, has stable economic growth, and cares about industrial and social trends. Therefore, the CHC headquarters building was built following the nine green building indicators of the Ministry of the Interior (MOI), hoping to pursue the sustainable utilization of building in its life cycle by spending the least earth resources, producing the least waste, consuming the least energy, adjusting the temperature difference between indoor and outdoor through greening and low emissivity glass, increasing air circulation through pipeline design, using LED low power consumption lighting, referring to sewage management methods to do sewage treatment, combining ecology, energy saving, carbon reduction, and health to create a building that coexists and prospers with the environment. The headquarters building of the Group has officially obtained the EEWH Silver certification (2015 Edition).

To understand whether the overall energy management is carried out, the Group has set up an environmental sustainability working group under the Sustainability Committee, holding regular meetings to discuss energy-related goals and performance, implementing internal energy management in the office, and responding to the government's energy conservation and carbon reduction policy. The working group's resolutions at the meeting are announced to all departments and offices of CHC to strengthen the concept of environmental protection and encourage all colleagues to put it into practice, aiming to gradually reduce office GHG emissions, effectively use and manage energy resources, and then reduce the impact of business operations on the environment since there is only one earth.

Besides actively participating in external seminars and cooperating with relevant organizations to continuously improve environmental protection, the Group also plans to take environmental protection as one of the important operating performance indexes in the future to work on balancing environmental protection and overall business performance. The Group's environmental policies are as follows:

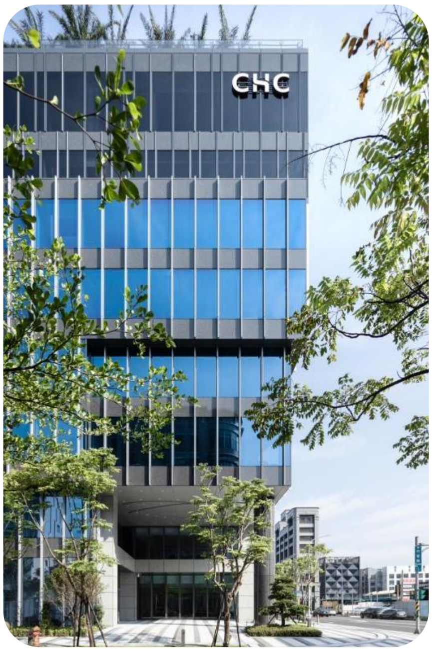
1. Legal compliance: To avoid any possible violations of the law, the Group reminds all employees from time to time to abide by relevant government laws and regulations. There is a chapter on Fostering a Sustainable Environment in the Sustainable Development Best Practice Principles adopted by the Group, which is about committing to becoming a domestic benchmark in environmental protection. To implement the resolution of reducing GHG emissions in response to climate change and comply with various environmental protection laws and regulations at home and abroad, the Group has internalized the environmental sustainability concept as part of the corporate management culture. Apart from encouraging employees to do energy saving and carbon reduction in the office at group meetings, CHC also actively delivers the message to suppliers, visitors, and contractors to contribute to environmental sustainability.

2. Pollution prevention: The Group conducts source management, waste reduction, energy conservation, carbon reduction, resource reuse, etc., to lower carbon dioxide (CO^2) and other GHG emissions and reduce environmental impacts.

3. Green procurement: The Group considers environmental friendliness as one of the principles in all procurement and priority purchasing products with the Green Mark under the premise of sound product quality and reasonable price to achieve the goal of energy saving and carbon reduction. In 2024, the CHC's total purchases of consumable supplies with environmental labels account for more than 20%, and the Group plans to gradually increase the proportion of supplies with environmental labels in the coming years to reduce the impact of corporate operations on the environment. Supplier selection and management procedures are introduced in section 4.2 of the chapter.

4. Communication mechanism: The Group has established sound communication and consultation channels. In addition to disclosing environmental-related information in the annual report and sustainability report published by the Group each year, there is also a dedicated hotline and e-mail address to take into account the stakeholders' suggestions for improvement. The environmental safety and protection goals of the Group are determined by the environmental sustainability working group under the Sustainability Committee, which holds regular meetings to review relevant performance.

Environmental Protection Measures



The mid-term and long-term environmental protection goals set by CHC are water conservation, electricity conservation, waste reduction, and GHG reduction. To achieve the above goals, the Group adopts PDCA management measures composed of several steps such as plan, do, check, and action, looking forward to reducing the risk of climate change on business operations through these measures, and coexisting and prospering with the environment.

The energy consumption of the Group mainly comes from electricity consumption in offices. Although the power-saving effect is not as significant as that in the manufacturing industry, the Group continues to promote energy-saving measures every year. It's believed that many a mickle makes a muckle, and long-term persistence can have some contribution to the earth. The Human Resource & General Affairs Dept. of the Group has formulated the Energy Saving & Carbon Reduction Implementation Plan, which has been announced and implemented within the Group after approval by the Chairman. The main energy-saving measures are listed as follows:

1. Office:
   (1) Purchase multi-function printers with the Green Mark for the office.
   (2) Energy saving of multi-function printers in the office: Turn off the power when off work or when not in use for a long time, saving power consumed by standby mode.
   (3) The air conditioner in the office can only be turned on when the ambient temperature is above 26°C with the advised temperature setting of 26~28°C and can be used with fans.
   (4) When the outdoor temperature is below 26°C, it is advised to turn off the air conditioner and open the windows appropriately.
   (5) Control office lighting according to the needs of colleagues, and turn off lights, computers, electrical appliances, and other power supplies when no one is in the office.
   (6) The corridor lighting not frequently used must be turned off conveniently.

(7) Regularly clean the filters of air conditioners to reduce power consumption.
(8) Install T5 fluorescent tubes or compact fluorescent lamps in specific office areas.
(9) Turn off the lights according to the situation during the lunch break.
(10) Water dispensers must be powered off during consecutive holidays.

2. Server room / Warehouse:
(1) Equip the server room with a time switch to adjust the temperature in due course.
(2) Make sure to turn off the lights when there is no one there.
(3) Turn off some or all lights on a sunny day.
(4) Turn off the lights conveniently to save electricity in unused spaces.

3. Environmental education:
(1) Hold various environmental protection education dissemination and actively promote garbage classification, resource recycling, and waste reduction.
(2) Continue to purchase paper with the FSC certification to reduce environmental impact, aiming to maintain ecological integrity and forest functions. And encourage employees to do double-sided printing and reduce paper use.
(3) Establish a paperless sign-off system, such as the employee leave management system, stationery and business card application system, etc. The relevant systems all exert positive benefits, not only saving paper consumption but also having no time and geographical restrictions.

4. Environmental data management: Collect the carbon emissions data of electricity and water consumption and compare it with the same period in the past promptly.

5. Green procurement:
(1) Priority purchase products with the Green Mark.
(2) Check existing equipment and replace it with items with energy-saving and carbon-reducing functions.
(3) Use high-efficiency lighting devices to effectively implement electricity conservation.

6. Transportation:
(1) Encourage colleagues to carpool or commute by public transportation, and reduce driving by themselves.
(2) Use the public transportation system to deliver products as much as possible and strive to reduce the volume and weight of product packaging during transportation, aiming to improve transportation efficiency, reduce energy consumption during transportation, and reduce carbon emissions and transportation costs. Reduce carbon emissions by improving loading efficiency, changing transportation modes, and increasing the reuse rate of packaging materials.
(3) To deliver products to clients on time, foreign suppliers mostly use air freight after receiving orders, which is expensive in transportation costs, increases CO^2 emissions, and leads to the aggravated greenhouse effect in the long run. To reduce the impact and damage to the environment during product transportation, the Group has actively communicated with customers in recent years and prepared different countermeasures for customer needs. For example, CHC chooses ocean freight instead when transporting large-scale medical equipment and large-scale auxiliary kits for radioactive sources to reduce the environmental impact during air transportation and lower product transportation costs. In the meantime, the Group is committed to increasing the carrying capacity of single ocean freight to reduce the harm to the environment by reducing transportation. CHC also advises suppliers to reduce the use of packaging materials and the size of the packaging, which helps reduce the use of packaging materials and increase the amount of single transportation.
(4) Install video and teleconferencing systems in each office to facilitate meetings between different regions, effectively reducing the number of business trips, reducing business operating costs, and achieving environmental protection.

7. Waste disposal:

(1) The waste in the office area is mainly household waste, which contains two categories, trash, and recycling. The Group entrusts a cleaning company to dispose of household waste.

(2) The gas cylinders in the Group's distribution products of the Ophthalmology Dept. must be recycled to the original purchasing company. However, there are no gas cylinders to be recycled in 2024.

(3) The used radioactive sources in the Group's distribution products are discarded under the regulations of the NSC for export and delivery procedures and returned to suppliers for recycling. The discarded radiation source must be stored within utensils of lead quality to prevent radiation leakage. Then entrust a professional shipping company to transport under the route planned by the local department of health, and prepare a proper crisis management plan in advance to minimize the risk of transportation and the probability of environmental pollution.

(4) For non-regulated medical equipment and consumables among the products distributed by the Group, the scrapping procedures must be submitted to the competent authority following the laws and regulations. And a legal recycling company must be entrusted to collect and transport these items.

Environmental Data

CHC regards the reduction of GHG as a necessary action to slow down climate change and global warming. The GHG inventory can provide a basis for reduction, and the inventory results can be a reference for setting specific reduction goals in the future. The Group's primary energy consumption comes from direct emissions (Scope 1) and purchased energy (Scope 2). In recent years, Scope 2 emissions have accounted for over 99% of the total Scope 1 and Scope 2 emissions. Therefore, at this stage, the Group measures its greenhouse gas reduction performance based solely on Scope 2 emissions.

The statistics of GHG emissions from water and electricity consumption in the past three years are as follows. Due to the increase of an additional office area in Miaoli County since February 2024 to meet the needs of new business development, the carbon dioxide emissions in 2024 have a significant growth compared with the previous year.

CO^2 Emissions Statistics (Unit: kg)					
Scope 1	As the Group does not operate within the manufacturing sector and has no production processes, Scope 1 emissions are confined to fixed categories that differ by business location. These include stationary emission sources (diesel used for emergency generators), mobile emission sources (gasoline for company vehicles), and fugitive emission sources (refrigerants and fire extinguishers). For comprehensive statistical data, please refer to the "Greenhouse Gas Inventory" section.				
Scope 2	Region	**Item**	**2022**	**2023**	**2024**
	Taiwan	Electricity consumption	311,006	574,872	1,103,218
		Water consumption	316	1,198	3,521
		Subtotal	**311,322**	**576,070**	**1,106,739**
	China	**Electricity consumption**	**7,114**	**7,679**	**3,785**
	Total		**318,436**	**583,749**	**1,110,524**
	Annual rate of reduction			**-83%**	**-90%**

*Note: CHC's office in China is a sub-leased office space, and the office in Indonesia is also not independent. So it can be hard to collect the environmental data from these two sites independently. Only electricity consumption information in the China office can still be obtained. It is believed that these environmental statistics do not cause a significant impact on the Group's overall performance since the scale of the overseas offices is much smaller than those in Taiwan.

Since 2020, the Group has also recorded electricity consumption, water consumption, and the total weight of waste. The statistics of the Group's electricity consumption, water consumption, and total waste weight in the past three years are as follows. Taiwan's annual electricity and water consumption in 2024 increased significantly compared with 2023, mainly due to the commencement of factory equipment testing and operations.

Total Electricity Consumption, Water Consumption and Total Waste Statistics				
Region	Item	2022	2023	2024
Taiwan	Annual electricity consumption (kWh)	601,339	1,150,739	2,223,169
	Annual water consumption (Ton)	3,798	9,427	24,291
	Annual total weight of waste (kg)	6,364	6,169	9,726
China	Annual electricity consumption (kWh)	7,866	7,703	5,934

*Note 1: CHC's office in China is a sub-leased office space, and the office in Indonesia is also not independent. So it can be hard to collect the environmental data from these two sites independently. Only electricity consumption information in the China office can still be obtained. It is believed that these environmental statistics do not cause a significant impact on the Group's overall performance since the scale of the overseas offices is much smaller than those in Taiwan.

Although global warming has not yet had a material impact on CHC's operations, the Group is still actively implementing environmental protection. In recent years, the earth has encountered more and more severe climate changes, and environmental sustainability has become a critical issue for all industries. Besides collecting environmental data periodically, the Group conducts self-reviews and obtains external suggestions through the recording and disclosure process. The Group also takes 2020 as the base year to set up environmental protection goals for the short-term, mid-term, and long-term. However, In 2024, a professional consulting firm was commissioned to conduct the carbon emission inventory and calculation for the full-year statistical data. Given the significant difference between the calculation scope of the 2024 results and that of the 2023 data, the base year has been reset to 2024 to ensure data completeness and consistency. Relevant information is as follows:

Environmental Protection Goals for Short-Term, Mid-Term, and Long-Term				
Item	Base year	Progress in 2024	Short-term goal	Mid-term, long-term goal
Carbon emission management	2024	Collect water and electricity bills for statistical purposes, and engage a professional consulting firm to perform carbon emission calculation and inventory.	0.5% reduction per year	3% reduction in 2028 compared with the base year
Electricity consumption management	2024	Collect electricity bills for statistical purposes, and engage a professional consulting firm to perform carbon emission calculation and inventory.	0.5% reduction per year	3% reduction in 2028 compared with the base year
Water consumption management	2024	Collect water bills for statistical purposes, and engage a professional consulting firm to perform carbon emission calculation and inventory.	0.5% reduction per year	3% reduction in 2028 compared with the base year
Waste management	2024	Include factory site usage in the statistical scope according to general waste and resource recycling categories.	0.5% reduction per year	3% reduction in 2028 compared with the base year

Apart from the original Energy Saving & Carbon Reduction Implementation Plan, the Group has adopted the Energy Saving & Waste Reduction Management Policy as the table below, to effectively manage electricity consumption, water consumption, and the total weight of waste for the ultimate target of achieving mid-term and long-term environmental protection goals. In the future, CHC will continue implementing various management policies to save energy, cherishing every drop of water and reducing waste, and working together to slow down global warming.

Energy Saving & Waste Reduction Management Policy		
Policy	**Measure**	**Description**
Electricity consumption management	Elevator control	◆ Install an intelligent elevator control system to control elevator operation. ◆ Encourage colleagues to take the stairs instead of the elevators to save energy and reduce carbon emissions as well as stay healthy.
	Air conditioner control	◆ Advise air conditioner temperature setting of 26~28°C in summer. ◆ Bring outdoor air into the building through the energy recovery ventilator to improve the power-saving effect in winter.
	Lighting control	◆ Use high-efficiency and energy-saving LED lighting for office and emergency exit lights. ◆ Turn on/off lights in the offices and fire escape by area, and turn off the lights during the lunch break according to working/resting conditions of colleagues. ◆ Support Earth Hour 2024, held by the World Wildlife Fund (WWF), by turning off the outdoor landscape lights and signboard lights after 20:30 on the day of the event.
Water consumption management	Water-saving devices installation	◆ Adjust the faucet flow rates in the pantry room and washroom. ◆ Adopt dual flush toilets.
	Water recycling and reuse	◆ Recycle rainwater and condensed water from the air conditioner on each floor of the headquarters for garden sprinklers.
Waste management	Recycling maximization	◆ Distinguish trash, kitchen waste, and recycling to perform waste sorting resource recycling. ◆ Record the weight of general industrial and recyclable waste to minimize trash and maximize recycling.
	Waste reduction	◆ Publish event information through paperless means. ◆ Encourage colleagues to refuse bottled water and use reusable bags and food ware.

Greenhouse Gas Inventory

Based on the "Sustainability Development Roadmap for TWSE/TPEx Listed Companies" issued by the Financial Supervisory Commission in March 2022, the Company, as a listed company with paid-in capital under NT$5 billion, will be subject to the third phase of GHG Inventory requirements at the individual company level (i.e., parent company), with the inventory to be completed in 2026 and verification in 2028. Other subsidiaries included in the consolidated financial statements will be subject to the fourth phase of GHG Inventory requirements, with the inventory to be completed in 2027 and verification in 2029.

The Company first proposed the GHG Inventory and verification schedule for itself and its subsidiaries in Q2 2022 (as shown in the table below), which was approved by the Board of Directors and is managed on a quarterly basis. Going forward, the Company will continue to monitor and complete the GHG Inventory and verification in accordance with the reference guidelines and relevant regulations issued by competent authorities. Regular quarterly reports will be submitted to the Board, along with the formulation of carbon reduction targets, strategies, and concrete action plan.

Greenhouse gas inventory and verification tasks	Estimated completion date	Description
Establishment of a dedicated (or concurrent) unit, designation of responsible personnel, and definition of roles and responsibilities.	Nov. 2023	● Unit established in Nov. 2023.
Development of GHG inventory and verification plans.	Feb. 2024	● In January 2024, a contract was signed with a consulting firm to implement ISO 14064-1, officially

Greenhouse gas inventory and verification tasks	Estimated completion date	Description
		launching the project. ● Completion of the GHG verification schedule in February 2024. ● Beginning in March 2024, data for the period January–December 2024 will be collected in accordance with the defined verification scope.
Completion of the GHG inventory	Jun. 2025	● Between April and June 2025, the consultant will conduct on-site reviews of departmental data collection and finalize procedural documentation. ● Scope of the GHG inventory includes: ● Category 1: Stationary/mobile combustion sources, process emissions, and fugitive emissions. ● Category 2: Purchased electricity. ● Category 3: Emissions from upstream and downstream transportation of goods.
External verification	Oct. 2025	● Internal audit training scheduled for Jul. 2025. ● Compilation of the GHG inventory register and report between Aug. and Sep. 2025. ● Formal external verification of the GHG inventory in Oct. 2025

According to regulations issued by the competent authority, the Company discloses its Greenhouse Gas Inventory schedule based on the 2025 statistical data. To proactively prepare for the inventory process, the Group has consolidated the 2024 statistical data and commissioned a professional consulting firm to complete the calculation and inventory for the Company and its four wholly owned subsidiaries – Chiu Ho Medical, TOMORROW Medical, Chiu Ho Scientific, and Shin-Ho Instruments. Among them, Shin-Ho Instruments Co., Ltd. is classified as a factory rather than office space, so its greenhouse gas emissions are calculated separately. Other subsidiaries not covered in this inventory will follow relevant regulations and be included in future statistics and inventory calculations.

The 2024 Greenhouse Gas Inventory calculation is based on statistical data from direct emissions (Scope 1), purchased energy (Scope 2), and category 3.1 and 3.2 greenhouse gas emissions within other indirect emissions (Scope 3). The complete data are shown in the table below:

<table>
<tr><th colspan="10">Greenhouse Gas Emissions
(the Company / Chiu Ho Medical / Tomorrow Medical / Chiu Ho Scientific)</th></tr>
<tr><th rowspan="3"></th><th colspan="4">Scope 1</th><th>Scope 2</th><th colspan="3">Scope 3</th><th rowspan="3">Total Emission Equivalent</th></tr>
<tr><th colspan="4">Category 1</th><th>Category 2</th><th>Category 3</th><th>Category 4</th><th>Category 5</th></tr>
<tr><th>Stationary Combustion</th><th>Process Emissions</th><th>Mobile Combustion</th><th>Fugitive Emissions</th><th>Energy</th><th>Transportation</th><th>Products Used by the Organization</th><th>Products Produced by the Organization</th></tr>
<tr><td rowspan="2">Emission Equivalent (Metric Ton CO2e / Year)</td><td colspan="4">431.2990</td><td rowspan="2">263.7127</td><td rowspan="2">672.5574</td><td rowspan="2">124.5468</td><td rowspan="2">0.0000</td><td rowspan="2">1,492.116</td></tr>
<tr><td>0.1046</td><td>378.0000</td><td>14.3713</td><td>38.8231</td></tr>
<tr><td rowspan="2">Category Proportion (%)</td><td colspan="4">28.91%</td><td rowspan="2">17.67%</td><td rowspan="2">45.07%</td><td rowspan="2">8.35%</td><td rowspan="2">0.00%</td><td rowspan="2">100.00%</td></tr>
<tr><td>0.01%</td><td>25.33%</td><td>0.96%</td><td>2.60%</td></tr>
</table>

<table>
<tr><th colspan="10">Greenhouse Gas Emissions
(Shin-Ho Instruments)</th></tr>
<tr><th rowspan="3"></th><th colspan="4">Scope 1</th><th>Scope 2</th><th colspan="3">Scope 3</th><th rowspan="3">Total Emission Equivalent</th></tr>
<tr><th colspan="4">Category 1</th><th>Category 2</th><th>Category 3</th><th>Category 4</th><th>Category 5</th></tr>
<tr><th>Stationary Combustion</th><th>Process Emissions</th><th>Mobile Combustion</th><th>Fugitive Emissions</th><th>Energy</th><th>Transportation</th><th>Products Used by the Organization</th><th>Products Produced by the Organization</th></tr>
<tr><td rowspan="2">Emission Equivalent (Metric Tons CO2e / Year)</td><td colspan="4">38.1296</td><td rowspan="2">708.0991</td><td rowspan="2">19.7255</td><td rowspan="2">164.6363</td><td rowspan="2">0.0000</td><td rowspan="2">930.591</td></tr>
<tr><td>0.0523</td><td>0.0000</td><td>0.0000</td><td>38.0773</td></tr>
<tr><td rowspan="2">Category Proportion (%)</td><td colspan="4">4.10%</td><td rowspan="2">76.09%</td><td rowspan="2">2.12%</td><td rowspan="2">17.69%</td><td rowspan="2">0.00%</td><td rowspan="2">100.00%</td></tr>
<tr><td>0.01%</td><td>0.00%</td><td>0.00%</td><td>4.09%</td></tr>
</table>

Responses to Climate Change

◆ Adoption of TCFD Framework

CHC adopts the recommended framework of the Task Force on Climate-Related Financial Disclosures (TCFD) released by the Financial Stability Board (FSB), carrying out a comprehensive review from the four aspects of governance, strategy, risk management, and metrics and targets. Further, identify the Group's climate-related risks and opportunities and establish a climate risk management culture under the supervision of the Board of Directors, to strengthen the corporate resilience in facing climate-related risks and to enhance the sensitivity of searching for business opportunities, hoping to contribute to Taiwan's transition to a low-carbon economy.

<table>
<tr><th>Thematic area</th><th colspan="2">Recommended disclosure</th><th>CHC’s action</th></tr>
<tr><td rowspan="2">Governance</td><td>a</td><td>Describe the Board’s oversight of climate-related risks and opportunities.</td><td>◆ The Company has established the Risk Management Committee. The Board of Directors is the ultimate decision unit of the risk management mechanism and shall bear the final responsibility for risk management.
◆ The Board of Directors shall approve the corporate risk management policies based on overall operational strategies and business environment for the management of hazard risk, strategic and business risk, financial risk, compliance/contractual risk, and other risks on environmental (E), social (S) and corporate governance (G) related to the operation of an enterprise. Based on the materiality principle, the Group's main environmental risks are identified as climate-related risks. The risk management officer and environmental community unit under the Risk Management Committee are further assigned to assess climate-related risks and opportunities.
◆ The Board of Directors and the Audit Committee regularly listen to the report of the Risk Management Committee every year to review its implementation status and ensure the effective management of relevant risk issues.</td></tr>
<tr><td>b</td><td>Describe management’s role in assessing and managing climate-related risks and opportunities.</td><td>◆ The Group has set up a risk management officer in the Risk Management Committee, assigned by the Board of Directors, to be the chief supervisor dealing with risk management relevant matters.
◆ The risk management officer is responsible for supervising the environmental community unit to complete the assessment of climate-related risks and</td></tr>
</table>

Thematic area		Recommended disclosure	CHC's action
			opportunities, formulating appropriate countermeasures and corresponding strategies based on the evaluation results, and conducting daily management and tracking. ◆ The risk management officer regularly reports the implementation status of risk management to the Audit Committee and submits it to the Board of Directors for resolution.
Strategy	a	Describe the climate-related risks and opportunities CHC has identified over the short, medium, and long term.	◆ Climate-related risk - Short-Term: Increase of extreme weather events - Mid-Term: Policy changes / Regulations are getting stricter / Market changes in preference for existing products and services - Long-Term: Stakeholders pay more and more attention to whether the Group is committed to low-carbon transformation / Average temperature rise / Sea level rise ◆ Climate-related opportunity - Short-Term: Actively improve resource utilization efficiency - Mid-Term: Develop low-emission products and services - Long-Term: Invest in sustainability transitions ◆ For further information, please refer to the next section - Climate-related risks and opportunities of this paragraph.
	b	Describe the impact of climate-related risks and opportunities on CHC's businesses, strategy, and financial planning.	◆ The Group is not in the manufacturing industry. After conducting a risk assessment, climate-related risks are concerned to have no significant impact on the Group's business, strategy, and financial planning in the short term. ◆ The Risk Management Committee has completed the identification of climate-related risks over short-term, medium-term, and long-term and has formulated appropriate countermeasures and corresponding strategies based on the evaluation results, hoping to reduce the impact of climate-related risks by improving the efficiency of resource utilization. ◆ The Group aggressively develops low-emission products and services and invests in sustainability transitions, effectively combining climate-related opportunities with corporate strategy to create benefits for the Group's overall medium-term and long-term financial planning and business development.
	c	Describe the resilience of CHC's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	◆ The Group actively pays attention to climate-related risks and regularly reviews whether relevant risk management strategies and environmental protection policies have kept pace with the times and makes appropriate adjustments when necessary. ◆ To achieve energy conservation and carbon reduction to reduce the impact of physical climate-related risks, the Group collects environmental data periodically and sets environmental protection goals for the short-term, mid-term, and long-term. ◆ The Group has not yet adopted climate change scenario analysis but plans to gradually conduct assessments of different climate-related scenarios in future years, including estimating the overall impact on corporate operations under different carbon reduction pathways

Thematic area		Recommended disclosure	CHC's action
			and timelines.
Risk Management	a	Describe CHC's processes for identifying and assessing climate-related risks.	◆ The Risk Management Committee refers to the annual material topics identified by the Sustainability Committee, takes the Group (including the Company and all the subsidiaries) as the boundary, and conducts risk assessment on environmental (E), social (S), and corporate governance (G) issues related to corporate operations under the materiality principle as a reference for risk management and operational strategies. ◆ The environmental risks identified by the Group are mainly climate-related. After assessing current and future potential climate-related risks and opportunities, transition risks on the transition to a lower-carbon economy and physical risks on the physical impacts of climate are identified, with countermeasures and corresponding strategies being proposed.
	b	Describe CHC's processes for managing climate-related risks.	◆ The Group's Risk Management Committee has formulated the Policies and Procedures for Risk Management, resolved by the Board of Directors on May 6, 2020. ◆ The Group's climate-related risk management process includes risk identification, risk assessment, risk monitoring, risk reporting, and risk response. ◆ The climate-related risk management implementation refers to the organizational structure of the Risk Management Committee and is performed under the three lines of responsibilities structure. ◆ The Audit Office, affiliated to the Board of Directors, incorporates the risk management system and regulations into the internal audit operating procedures to ensure the continuous and effective implementation of the system.
	c	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into CHC's overall risk management.	◆ The Group's Risk Management Committee consists of the Board of Directors to act as the ultimate decision unit, a risk management officer to integrate risk management tasks, and relevant units of legal compliance, customer service, and environmental community to implement the overall risk control and management of the Group. The environmental community unit is responsible for climate-related risk identification and assessment on the front line. ◆ The hazard risk, strategic and business risk, financial risk, compliance/contractual risk, and other risks on environmental (E), social (S), and corporate governance (G) related to the operation of an enterprise identified by the Group are within the purview of the Risk Management Committee. Climate-related risks under environmental risk have also been incorporated into the Group's risk management processes and integrated into the overall risk management system.
Metrics and Targets	a	Disclose the metrics used by CHC to assess climaterelated risks and opportunities in line with its strategy and risk management process.	◆ The key climate metrics that the Group mainly tracks at this stage include CO^2 Emissions, electricity consumption, water consumption, and the total weight of waste, tracking the statistics compared with the base year for management. ◆ As the Group engaged a professional consulting firm to complete the full-year GHG Inventory for 2024, the calculation scope of the 2024 statistical data differs

Thematic area	Recommended disclosure		CHC's action
			significantly from that of 2023. To ensure data completeness and consistency, the base year has been reset to 2024. In addition, the Group has established a short-term environmental protection target of reducing key climate indicators by 0.5% annually, as well as a mid- to long-term target of achieving a 3% reduction by 2028 compared with the base year.
	b	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	◆ The Group is not in the manufacturing industry and has no manufacturing process. There are almost no direct (Scope 1) GHG emissions from stationary, mobile, and fugitive emission sources. ◆ The Group's main energy consumption comes from energy indirect (Scope 2) GHG emissions. As the Group engaged a professional consulting firm to complete the full-year GHG Inventory calculation for 2024, the base year has been reset to 2024 to ensure data completeness and consistency, and short-, medium-, and long-term reduction targets have been established accordingly. 2024 has been reset as the base year for setting short-, medium-, and long-term Scope 2 emissions reduction goals. ◆ Regarding other indirect (Scope 3) GHG emissions, categories 3.1 and 3.2 were included in the statistical data calculation and inventory for 2024. The Group plans to gradually expand the scope of its environmental data management in the coming years by incorporating additional categories.
	c	Describe the targets used by CHC to manage climate-related risks and opportunities and performance against targets.	◆ The Group collects environmental data periodically and takes 2024 as the base year to set up environmental protection goals for the short-term, mid-term, and long-term, conducting self-reviews and obtaining external suggestions through the recording and disclosure process. ◆ To effectively achieve the set goals, in addition to the original Energy Saving & Carbon Reduction Implementation Plan, the Group has adopted the Energy Saving & Waste Reduction Management Policy, specifying relevant measures and specific guidelines, and actively promoting and implementing environmental protection.

◆ Climate-related risks and opportunities

The Group has assessed the current and future potential climate-related risks and opportunities and adopted appropriate countermeasures and corresponding strategies for the identified climate change risks and opportunities. Lists of climate-related risks, as well as climate-related opportunities, are as follows:

List of Climate-Related Risk			
Risk			Countermeasure
Transition Risks - risks related to the transition to a lower-carbon economy	Policy and legal risks	◆ Policy changes ◆ Regulations are getting stricter	◆ Voluntary reduce GHG emissions and energy consumption. ◆ Conduct an inventory of GHG emissions and product carbon footprints.
	Market risk	◆ Market changes in preference for existing products and services	◆ Develop low-emission products and services ◆ Pay attention to market trends and cooperate with suppliers that meet market demands.

	Reputation risk	◆ Stakeholders pay more and more attention to whether the Group is committed to low-carbon transformation	◆ Formulate the Energy Saving & Carbon Reduction Implementation Plan, announce and implement it within the Group. ◆ Adopt the Energy Saving & Waste Reduction Management Policy and implement it. ◆ Build the headquarters as a green building. ◆ Conduct supplier assessment following the Group's sustainability policy.
Physical Risks - risks related to the physical impacts of climate change	Acute risk	◆ Increase of extreme weather events – Typhoon ◆ Increase of extreme weather events - Rainstorms	◆ Adopt ISO 45001 Occupational Health and Safety Management System and formulate the Emergency Response Plan. ◆ Equip with an uninterruptible power supply and remote backup system, and conduct regular testing and maintenance. When extreme weather events occur, someone is assigned to confirm the status of the equipment. ◆ Reduce losses caused by natural disasters by taking out business insurance.
	Chronic risk	◆ Average temperature rise ◆ Sea level rise	◆ Increase energy efficiency by improving air conditioner efficiency. ◆ Formulate the Energy Saving & Carbon Reduction Implementation Plan, announce and implement it within the Group. ◆ Adopt the Energy Saving & Waste Reduction Management Policy and implement it. ◆ Build the headquarters as a green building.

List of Climate-Related Opportunity		
Opportunity		Countermeasure
Resource Efficiency	◆ Implement resource recovery and reuse	◆ Reduce operating costs through recycling and reuse of resources.
	◆ Carry out green procurement	◆ Priority purchase products with the Green Mark and check existing facilities to evaluate whether to replace them with items with energy-saving and carbon-reducing functions, to reduce environmental impact and improve operational efficiency.
	◆ Construct environment-friendly buildings	◆ Build the headquarters as a green building and enhance greening for temperature adjustment, to reduce environmental impact and improve operational efficiency.
Products & Services	◆ Develop low-emission products and services	◆ Promote medical information management system and develop iROIS. Paperless operations can reduce customer operating costs and improve operational efficiency.
	◆ Invest in sustainability transitions	◆ Invest in constructing a high-tech irradiation service facility, aiming to become the first irradiation service facility of sustainability in Taiwan and drive corporate sustainability transitions through practical actions.

Green Investment

CHC Healthcare Group invested in the construction of a high-tech irradiation facility, becoming the first company in Taiwan to adopt irradiation technology that complies with sustainability principles. The Group exclusively introduced the Rhodotron® developed by the Belgian company IBA, with phased investments of NT$370 million in 2022, NT$230 million in 2023, and NT$50 million in 2024 to establish irradiation service spaces and facilities in line with sustainable use principles. The Rhodotron® generates high-energy photon and electron beams and achieves up to 30% greater energy savings compared to other accelerators. Together with an automated conveyor and radiation energy control system, the technology effectively reduces radiation exposure to employees and minimizes environmental burden.

In addition, recognizing that the generation of high-energy photon and electron beams still relies heavily on electricity, the Group has further committed to balancing environmental protection with business operations. Solar panels were installed on the rooftop of the irradiation plant, providing a solar power generation system wCith a total installed capacity of nearly 700 kW. In 2024, the system generated 430,000 kWh of renewable energy, supporting the goal of coexistence and shared prosperity with the surrounding environment.

Grievance Mechanism for Environmental Issues

CHC is not in the manufacturing industry, and the working environment is purely office space, which has no significant impact on the environment. If the general public has any suggestions for the Group or complaints arising from environmental issues, please refer to the contact information on page 93 of the report. The Group's official website also has a Contact Us section with assigned personnel to handle and respond. There are no complaints related to environmental issues in 2024.

4.2 Supplier Relations

Suppliers are important partners for CHC's business development. The Group manages the relationship with the attitude of coexistence and co-prosperity with suppliers, holds regular meetings to communicate with suppliers, sets up corresponding contact persons for daily contact, provides unimpeded communication channels to build consensus to improve cooperation efficiency, and works together to provide customers with better products and services. In the future, the Group will continue to cooperate with suppliers on major societal and environmental issues to build a sustainable supply chain.

While maintaining positive and effective communication and interaction, the Group has also gradually enhanced supplier management. CHC encourages and requires suppliers not only to provide high-quality products and services but also to cooperate with the Group's requirements in corporate governance, human rights protection, safety and health, environmental protection, and other social responsibility and sustainable management topics. For new supplier selection, the Group also rigorously conducts various verifications. It is believed that outstanding suppliers can be CHC’s assets for business success and sustainable development.

Environmental & Social Assessment

Effective supplier management and assessment are key to corporate sustainable risk management. Without the long-term cooperation of suppliers, it would be difficult for CHC to achieve its leading position in the industry. While maintaining a good relationship with suppliers, the Group also has a management and assessment system for suppliers. The main elements of supplier management are as below, and descriptions for foreign and domestic suppliers are listed separately as follows:

Item	Element	Goal
1	Continuous improvement of supplier quality	Ensure suppliers comply with customer and relevant regulatory requirements.
2	Green supply chain	Ensure the sustainable development of the supply chain.
3	Supply chain risk management	Ensure there is no risk of disruption to the supply chain.
4	Enhancement of supplier management	Ensure that suppliers meet the Group's requirements in quality, environmental protection, safety, hygiene, etc.

1. Foreign supplier

The Group's foreign suppliers are all well-known international medical equipment manufacturers. In addition to complying with the laws and regulations where the brand and the factories are located, the foreign suppliers must also obtain the certification of ISO 13485 Medical Devices Quality Management Systems since the products are all medical equipment. Possession of this certification means that the supplier's quality management system has reached the required standards. When importing products to Taiwan, the Group also asks foreign suppliers to assist in preparing relevant documents to handle medical device inspection and registration with TFDA of the MOHW, the competent authority, and to apply for related licenses according to different regulations of individual product categories.

Under the framework of ISO 9001 Quality Management Systems, the Group conducts quality and safety assessments for foreign suppliers and confirms the validity of the ISO 13485 Medical Devices Quality Management Systems certification at the beginning of each month regularly. If the validity period has expired, the supplier must provide a new version of the certification to ensure that the supplier complies with good manufacturing practices for medical devices.

The foreign suppliers of CHC are all renowned corporate in the world, and most of them are listed companies or OTC companies in Europe and the United States. These manufacturers must meet the highest standards regarding products, financial performance, corporate governance, or corporate sustainability to comply with local government regulations for public companies. Hence the Group does not require foreign suppliers to sign the Corporate Sustainability Statement.

Most of the Group's foreign suppliers have published sustainability reports. For the few foreign suppliers that have not published the report, no significant actual or potential negative impacts on the environment are found in 2024. In addition, Europe and the United States have clear laws and regulations prohibiting corporates from employing child labor and violating human rights. According to the information available to the Group, no child labor or human rights violations are found in the foreign suppliers in 2024. If any supplier violates local regulations, endangers the environment, or infringes on human rights in the future, the Group will take this into consideration in deciding whether to renew the contract with the supplier in the future. In times to come, the Group hopes to find more partners willing to work together with CHC in sustainable development through a sound supplier assessment system.

2. Domestic supplier

CHC has drafted a Corporate Sustainability Statement, which lists issues of environmental protection, safety, health, human rights, ethics, and social responsibility promulgated by the government. The Group requires domestic suppliers to sign and abide by relevant regulations and fulfill corporate social responsibility together with the Group.

In 2024, up to 90% of the newly cooperated suppliers of the Group's Human Resource & General Affairs Dept. have signed the statement. In the future, domestic suppliers contacted by the subsidiary's procurement unit will be asked to sign the statement by degrees to enhance the management of domestic suppliers. The contents of the Corporate Sustainability Statement are as follows:

▼Comply with relevant laws and regulations on wastewater, exhaust gas, solid waste, hazardous waste, and noise control.
▼Adopt a systematic approach to reduce the consumption of energy resources and emissions.
▼Ensure products and services do not use environmentally hazardous substances that are illegal or prohibited by customers.
▼Ensure employees can have a safe and healthy working environment through effective management.
▼Provide an equal and fair working environment and prohibit all forms of discrimination.
▼Respect the basic human rights of employees and prohibit all forms of humiliation.
▼Provide employees with safe and clean food and drinking water
▼Provide adequate and qualified sanitary and environmental facilities, such as public facilities, etc.
▼Respect the freedom of employees and prohibit all forms of forced labor.
▼Promote labor-management cooperation and respect the opinions of employees.
▼Comply with general corporate ethics.
▼Prohibit the employment of child labor.
▼Provide labor protection to minor and female employees.
▼Respect employees' freedom of association and the right to collective bargaining.
▼Provide appropriate wages and welfare.

By signing the Corporate Sustainability Statement, the Group hopes to regulate suppliers to ensure the safety of the working environment, protect the labor rights and interests of employees, strictly abide by the principle of prohibiting the employment of child labor, take into account environmental protection while doing business, and abide by relevant laws and ethics. If it is found that the supplier has not complied with the content of the statement, the Group stops the cooperative relationship with the supplier and selects another qualified supplier.

In addition to signing the statement, the Group plans to conduct regular domestic supplier evaluations. The evaluation items include the quality, price, delivery status, design skill, customer service attitude, etc., to ensure that suppliers comply with relevant regulations and that products and services can also meet the needs of the Group. CHC also works on searching for outstanding suppliers who are certified by ISO.

Moreover, the Group continues to operate in accordance with the principles of the ISO 9001 Quality Management System. In the future, new suppliers and existing qualified suppliers will be managed according to the Supplier Management Procedure under the ISO framework, including evaluation, assessment, and audit of quality and occupational health and safety, to ensure that the product quality meets relevant criteria. The Group’s Supplier Management Procedure is as follows:

Supplier Management Procedure	
Item	**Management procedure**
Supplier Verification	1. Relevant units verify whether the basic requirements of the Group are met according to the information provided by the supplier. 2. Product, technology, quality, and degree of coordination. 3. Occupational health and safety management.
New Supplier Evaluation	1. Suppliers certified by ISO 9001 Quality Management Systems or ISO 13485 Medical Devices Quality Management Systems are judged as qualified suppliers. 2. Other suppliers can only become qualified suppliers after passing the new supplier evaluation.

Supplier Management Procedure	
Item	**Management procedure**
	*Price: 15 points *Payment terms: 15 points *Degree of coordination: 15 points *Urgent order processing ability: 15 points *Willingness to sign the Corporate Sustainability Statement: 10 points *Waste disposal through qualified clearance organizations: 10 points *Establishment of environmental safety management unit: 10 points *Occurrence of occupational accident or dispute in the past 12 months: 10 points Qualification score - Pass: 60~100 points / Fail: less than 60 points
Supplier Annual Assessment	1. Assessment frequency: About 30% of the suppliers with more than five transactions (including the 5th) in the current year are evaluated. 2. Supplier assessment form: Suppliers who meet the above standards are evaluated based on the following items. *On-time delivery: 20 points *Product quality: 10 points *Exception handling: 10 points *Price: 20 points *Payment terms: 15 points *Customer complaint handling: 15 points *Willingness to sign the Corporate Sustainability Statement: 10 points Qualification score - Pass: 60~100 points / Fail: less than 60 points

In the meanwhile, to establish a green supply chain, the Group continues to promote the concept of green procurement to procurement units, including the definition of green procurement and encourages the priority procurement of products that meet government regulations. CHC also listed three types of environmentally friendly products that have less impact on the environment, including products with the Green Mark issued by the Environmental Protection Administration of Executive Yuan, products consist of recycled materials and meet the requirements of recycled materials, low pollution, recyclability, and resource-saving, and other products that can increase social benefits or reduce social costs and have the same or similar effects.

Therefore, when procurement units make purchasing decisions, whether service or office supplies, environmental protection materials, and recyclable items are prior taken into consideration, and energy-saving is listed as one of the procurement specifications, encouraging more and more suppliers to provide products that meet the requirements. CHC also promotes priority purchasing products with the Green Mark under the premise of sound product quality and reasonable price to make domestic suppliers understand the Group's emphasis on environmental sustainability, then urge suppliers to have environmental awareness and protect the environment together. The Group requires domestic suppliers to comply with relevant regulations on environmental protection, safety, and health and fulfill corporate responsibilities. In 2024, no significant actual or potential negative impact on the environment has been found in the domestic supply chain.

Suppliers are important partners of the enterprises, and relations between the two parties are inseparable. Outstanding suppliers can be assets to business success. In the future, CHC will continue to conduct supplier assessments on environmental and social dimensions, using corporate influence to encourage green procurement and work with suppliers to build a supply chain that is responsible, concerned about social issues, and sustainable.

Ch.5 Community Engagement

5.1 Local Prosperity

The CHC Healthcare Group's primary base of operations is at its headquarters in Taipei City. Given that Taipei City, New Taipei City, and Keelung City are all part of the Taipei metropolitan area, the Group regards the Taipei metropolitan area as its primary operational hub. Recognizing that sustainable operations are inseparable from the community, the Group begins with hiring local talents and fostering a happy workplace, while further seeking to strengthen connections with the regions where it operates. In recent years, the Group has actively supported disadvantaged groups in its operating regions, invited local businesses to collaborate on social initiatives, and encouraged neighborhood shops to adopt environmental protection and plastic reduction measures to maintain positive interactions with the local community.

In 2024, the Group invested NT$350 thousand in community engagement initiatives at its primary operational sites. Looking ahead, the Group will continue to uphold its original commitment to fostering good neighborly relations and giving back to society. At the same time, it will maintain positive connections with the communities where its operational sites are located, aiming to share benefits with local communities.

Local Vulnerable Caring

Upholding the spirit of giving back to the communities where it operates, CHC actively participates in social welfare activities each year, assisting disadvantaged groups, providing emergency relief when necessary, and fully engaging in disaster relief initiatives launched by various organizations.

▼ Procurement program with sheltered workshop - Dragon Boat Festival gift boxes

To implement corporate social responsibility and long-term commitment to social engagement and supporting disadvantaged groups, the Group's subsidiary, Treasure of Health Co., Ltd., purchased 350 boxes of starry egg rolls from the Children Are Us Foundation as Dragon Boat Festival gift sets for employees. This concrete action expressed support and recognition of the work performed by persons with disabilities.

▼ The underpad donation activity for patients in a vegetative state

The long-term caregiving expenses for patients in a vegetative state place a heavy burden on families. Upholding the philosophy that "Helping one patient in a vegetative state is helping one family," Treasure of Health Co., Ltd. has long supported such families. On November 18, the company donated 144 packs of underpads and 240 packs of diapers. In addition, suppliers including Maolin Trading Co., Ltd., Qiaojyu Enterprise Co., Ltd., Kunyang Co., Ltd., and Shinyo Co., Ltd. joined the cause, collectively contributing 2,800 diapers, 10 boxes of Quaker Complete Nutrition Formula, and 9 boxes of Maruyama Soy Balanced Nutrition Formula.

Promoting Social Welfare

▼ CHC Blood Donation Day

Since 2021, the Group has launched blood donation activities, which have now been held for the fourth consecutive year. In 2024, CHC partnered with the CHC Charity Foundation and neighboring companies, including Shing Great Jungle, BMW Longder, Treasure of Health Co., Ltd., South Neihu Branch of Hua Nan Bank, Creation Food Co., Ltd., and Neihu Warehouse Café as co-organizers, along with Shin Kong Security, Flytech, Fortune Information, and Wende Association as supporting partners. Together, they hosted a charity blood donation event on June 6.

This year's event expanded to include three large blood donation vehicles to accommodate more donors. The Neihu Precinct of the Taipei City Police Department, the Third District HQ of the Taipei City Fire Department, and volunteer police officers also set up booths on-site to promote traffic safety and fraud prevention knowledge. More than 250 people participated, and nearly 400 bags of blood were successfully collected.

▼ Treasure of Health's Charity Blood Donation Event

To put into practice the belief that "Donating one bag of blood saves one life", Treasure of Health Co., Ltd. co-organized the "Love in Blood Donation, Happiness Always" charity event with the Taipei Blood Center at the 823 Memorial Park in Zhonghe on March 30. Subsidiary colleagues and pharmacy channel partners took the lead in donating blood, and local residents actively participated. The event attracted more than 100 donors and successfully collected over 150 bags of blood.

Advocating Plastic Reduction Event

▼ Bringing reusable tableware

Since 2021, the Group has launched the campaign "Environmental Protection Starts from Daily Life". In 2022, environmental groups were invited to share knowledge about recycling and waste classification; in 2023, the focus was on promoting reusable tableware. Building on positive results, the campaign continued in March 2024 under the theme "Bring Your Own Tableware for a Free Lunch at CHC".

Employees were subsidized for one lunch per week, with meals prepared by nearby sheltered workshops and social service organizations. Employees brought their own reusable containers, thereby reducing waste and carbon emissions while fostering sustainable habits. The March campaign ran for four weeks with 333 total participants. The initiative combined environmental protection with social welfare, directly supporting workers with disabilities and creating a positive cycle of goodwill.

5.2 Mutual Well-Being

Adhering to the tenet of “taken from society, used for society”, CHC not only promotes local prosperity but also actively pursues co-existence and co-prosperity with society at large. The Group consistently partners with non-profit organizations, focusing on “medical services, public welfare, and healthy living” to assist disadvantaged groups in rural areas, provide medical volunteer programs, and promote healthy living initiatives. For disadvantaged groups in need, CHC provides timely support to fill resource gaps. In response to natural disasters or major incidents, the Group spares no effort in offering emergency aid and related medical resources while supporting disaster relief activities initiated by others.

The Group encourages all employees to participate in social welfare activities together. Engaging in social care and support can not only contribute to the community but also strengthen employees' sense of identity and empathy. With the call from an organization, the enterprise can efficiently gather the strength of each individual, multiply the influence and maximize the synergy effect, and become the pioneer in fulfilling social responsibility.

In 2024, the Group’s investment in social engagement activities outside of its primary base of operations was NT$347 thousand. In the future, the Group will continue to stick to the tenet of giving back to society and making progress together with the community. CHC also hopes to get the ball rolling and inspire more enterprises to let people in need feel the positive power of society.

Spreading Love

▼ A Decade of Medical Volunteer Programs

As a corporate citizen, CHC has always been actively involved in healthcare philanthropy. CHC Volunteer Association has been regularly engaging in social welfare and organizing social care activities for a long time. It also encourages employees to participate in volunteer services, gathering the collective strength to serve, give back to the community, and fulfill corporate social responsibility.

Since 2012, except for during the pandemic, CHC has organized annual medical volunteer programs in remote areas. These programs raise public awareness of healthcare knowledge and improve access to medical resources, encouraging citizens to develop healthy habits and undergo regular check-ups.

In 2024, CHC again collaborated with the Experimental Forest, College of Bioresources and Agriculture, National Taiwan University, which provided space at the Duigaoyue Tract of Heshe Education and Promotion Center free of charge. The semi-outdoor venue offered a convenient and comfortable environment for residents.

On November 30, Chairman Pei-Lin Lee personally led the CHC Volunteer Association to host a medical volunteer event in Tongfu Village, Nantou County, joined by Yeezen General Hospital, ophthalmologists, and the CHC Charity Foundation. Nearly 60 participants provided physical examinations, internal medicine consultations, and ophthalmology diagnoses, and health education to over 160 residents.

Now in its tenth year, the program expanded services to include hearing tests, computerized optometry, intraocular pressure measurements, non-invasive abdominal ultrasounds for liver and kidney screening, and massage therapy to relieve muscular tension, catering to the needs of elderly and children in remote areas.

▼ Donating medical equipment to enhance the quality of medical care

CHC Healthcare Group has long been committed to advancing Taiwan's medical industry by introducing state-of-the-art medical equipment. In addition to promoting high-quality medical devices through its business model, the Group also donates medical equipment from time to time to enhance the accessibility of healthcare services and improve medical quality. On April 10, the Group's subsidiary, E Century Health Care Corporation, donated two wireless handheld ultrasound devices to Tri-Service General Hospital, a teaching hospital of the National Defense Medical Center. The wireless handheld ultrasound devices are compact and portable, free from venue limitations, and capable of providing clear and real-time imaging. They enable physicians to promptly assess patients' conditions and deliver appropriate medical treatment at the earliest opportunity. With wide-ranging applications, the devices can be used in hospitals, clinics, ambulances, and various emergency settings, supporting both direct clinical observation of organ structures and pathological changes as well as medical education. Their high mobility makes them valuable tools for collaborating with healthcare professionals to safeguard public health.

Cultivating Healthcare Talents

Education is the foundation of everything, the driving force of social progress and development, and an important cornerstone for boosting national competitiveness. CHC expects to cultivate more healthcare professionals through its advantages and resources and introduce the latest medical information and treatment technologies to healthcare workers. Therefore, patients can have more suitable treatment plans, and the quality of domestic medical care can be in line with international trends.

▼ International medical seminars

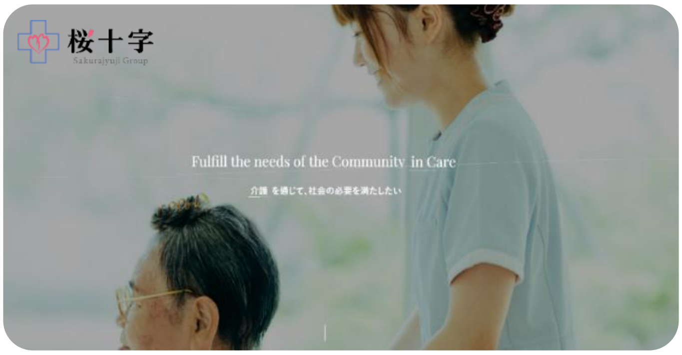
The Group regularly hosts and participates in international medical seminars, inviting global experts to share the latest healthcare trends while encouraging Taiwanese physicians to present abroad, thereby fostering global knowledge exchange and enhancing Taiwan's international visibility.

▼ Surgical training courses

CHC assists hospitals and medical schools by providing advanced equipment for hands-on training, helping students and residents improve surgical skills and accumulate clinical experience.

Whole New Perspective on Elderly Care

▼ Engage in the elderly care industry



CHC has always paid attention to social issues for a long time. Given the gradual aging of Taiwan society, the public's concern and demand for elderly care have become a part of national health planning and an important issue of national development. In recent years, the Group has paid close attention to the elderly care industry. After visiting and interacting with elderly care institutions all over the world, CHC has cooperated with Sakurajyuji Group, a well-known Japanese elderly care brand. The two parties will jointly create a whole new elderly care experience for Taiwan.

From the business operation of Sakurajyuji Group, the Group has found an elderly care model that is completely different from Taiwan. A more common situation in Taiwan is that after the elderly have symptoms of disability and dementia, the family members cannot take care of them around the clock, so the elderly are sent to elderly care institutions, hoping to prolong their life of the elderly through professional care of the institutions. In Japan, there are more proactive approaches. Given the improvement of medical technology, average life expectancy is getting higher and higher, and everyone has more time for themselves after retirement. In addition to perfect care, Japan also advocates the concept of prevention, aiming to prolong healthy life as much as possible and reduce bedridden periods. In this way, the elderly can enjoy a retirement life of better quality, and it can also effectively reduce the psychological and economic burdens of the younger generation. In the future, the Group hopes to establish such a perspective in Taiwan step by step and bring humanized and high-quality elderly care services to Taiwan.

▼ Volunteer Participation in Senior Mini-Marathon to Promote Healthy Aging

The Group's subsidiary, Let We Care Seniors Service Co., Ltd., organized a senior mini-marathon, which is the first 5-kilometer race in Taiwan specially designed for individuals aged 50 and above. The Group encouraged employees over the age of 50 to register for the event and invited colleagues to team up with their family members, aiming to foster regular exercise habits and promote healthy aging.

At the same time, younger employees under the age of 50 were invited to volunteer as pacing companions, running alongside senior participants, monitoring their physical condition, ensuring safety on the course, and providing encouragement. This initiative not only created a safer and more enjoyable experience for senior runners but also allowed employee volunteers to gain a sense of fulfillment and the joy of helping others.

Supporting Cultural Development

To further strengthen its social influence and connect positive forces across society, CHC has in recent years actively supported domestic cultural development. Through the promotion of cultural and creative initiatives, the Group seeks to inspire diverse and innovative ideas within the organization, creating synergistic benefits that contribute to both corporate growth and societal advancement.

▼ Supporting cultural development and encouraging employee engagement in the arts

The Group places great emphasis on cultural development. In 2024, it sponsored the "Resonance of Melody, Tribute to Beauty" concert by the OneSong Orchestra, organized by the Taoyuan Business Association and Paradise Foundation, and held at the Taoyuan Arts Center. The concert was conducted by Che-Yi Lee, the Orchestra's Music Director, and attended by many distinguished guests from the arts community.

As the only professional orchestra dedicated to preserving and promoting Taiwan's musical culture, the OneSong Orchestra performs Taiwan's classic compositions through the universal language of classical music, allowing audiences worldwide to discover Taiwan's cultural heritage. The Group also invited employees and their families to enjoy the concert together, providing an opportunity to experience the integration of classical music and Taiwanese culture, and to create lasting and meaningful memories.

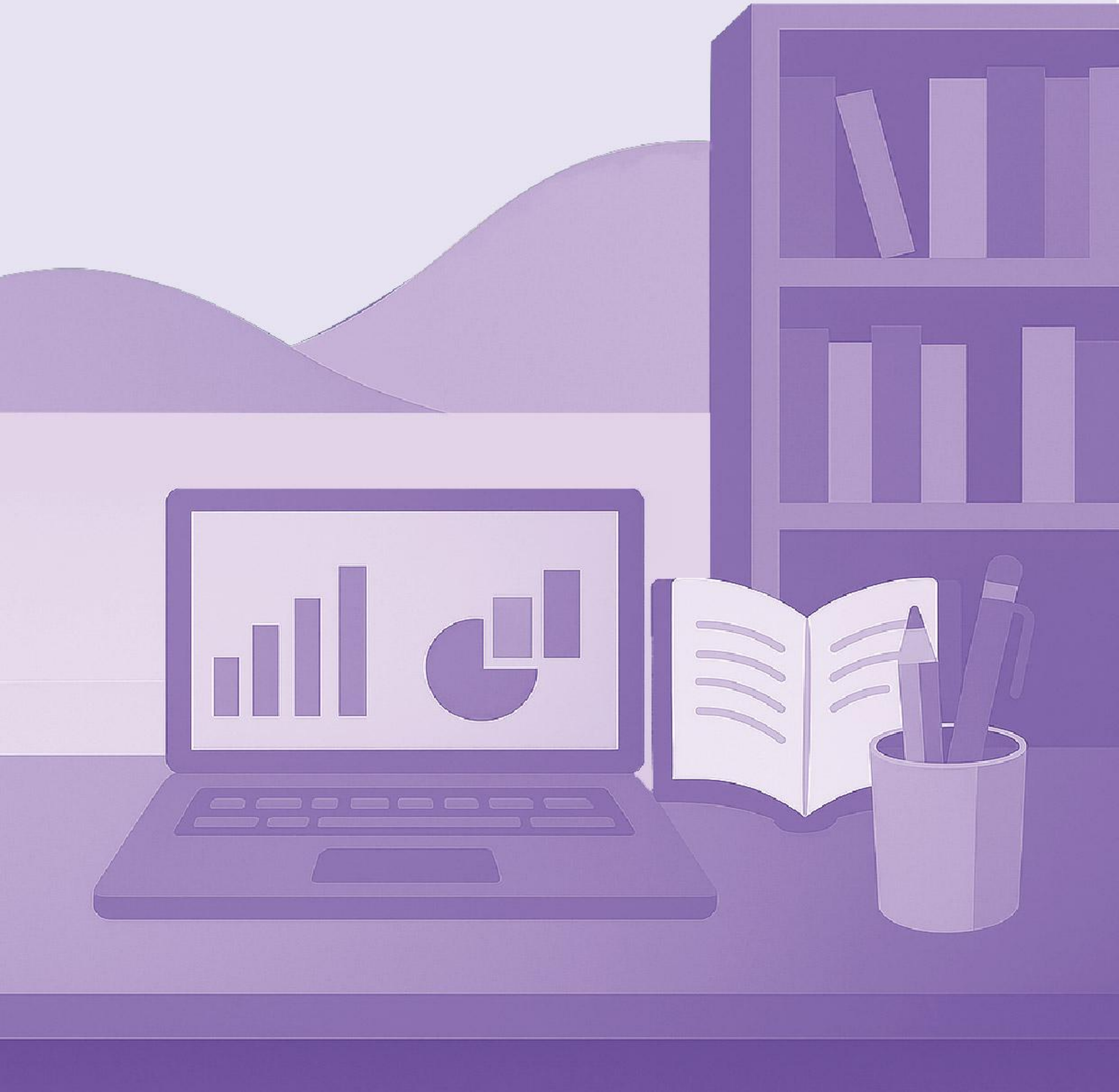
Focus on Environmental Issues

Global warming has deeply affected the lives of all human beings. As global awareness of environmental protection continues to rise, the Group participates in Earth Hour, a global environmental event initiated by the World Wildlife Fund every year. This event is held on the last Saturday in March every year. It encourages worldwide to turn off unnecessary lights for one hour starting at 8:30 pm local time. The action of lights-out appeals to the public to face up to the issue of climate change. With the participation of Taiwanese enterprises and citizens, Taiwan managed to save approximately 289,000 kWh of electricity on the day of this event in 2024, which reduced 143, 055 kg of CO_2 emissions, equal to the positive environmental impact of planting 13,005 trees. Earth Hour 2024 took place on March 23 from 8:30 to 9:30 pm. The Group calls on the employees and their families to participate in the activity of turning off the lights to save energy.

Grievance Mechanism for Social Impacts

CHC is not in the manufacturing industry, and the working environment is purely office space, which has no significant impact on the local community and environment, so the Group has not conducted community engagement. If the general public has any suggestions for the Group or complaints arising from social impacts, please refer to the contact information on page 93 of the report. The Group's official website also has a Contact Us section with assigned personnel to handle and respond. There are no complaints related to social impact in 2024.

Appendix



GRI Content Index

Statement of Use
CHC Healthcare Group has reported the information cited in this GRI content index for the period from January 1 to December 31, 2024 with reference to the GRI Standards.
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GRI 1: Foundation 2021

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417-1	Requirements for product and service information and labeling	2.2 Product Liability	39
417-2	Incidents of non-compliance concerning product and service information and labeling	No such incident in 2024	-
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GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No such incident in 2024	-
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Fleet Fuel Management			
HC-DI-110a.1	Payload fuel economy	CHC has not disclosed relevant information in 2024 and will plan to include it in the next few years.	-
HC-DI-110a.2	Description of efforts to reduce the environmental impact of logistics	CHC places orders with suppliers in advance following the demand schedule and strives to ensure the ordered items are combined shipping without being out of stock. At the time of delivery, the Group makes every effort to arrange one-time delivery for the same customer's order to avoid multiple transportations that would cause environmental impact. For more related measures, please refer to sector 4.1 Environmental Policy.	64

Metric		Chapter/Content	Page
Product Safety			
HC-DI-250a.1	Total amount of monetary losses as a result of legal proceedings associated with product safety	No such incident in 2024	-
HC-DI-250a.2	Description of efforts to minimise health and safety risks of products sold associated with toxicity / chemical safety, high abuse potential, or delivery	All products distributed by CHC have been reviewed and approved by the competent authorities before being imported. A biocompatibility report is required during inspection and registration to ensure the product is not toxic when contacting the human body. For more related measures, please refer to sector 2.2 Product Liability.	39
Counterfeit Drugs			
HC-DI-260a.1	Description of methods and technologies used to maintain traceability of products throughout the distribution chain and prevent counterfeiting	CHC has been using the SAP ERP system since 2010. Procurement and delivery are all controlled through the system, which retains complete records from placing orders with manufacturers to delivering products to clients.	-
HC-DI-260a.2	Discussion of due diligence process to qualify suppliers of drug products and medical equipment and devices	The suppliers' information of the drugs, medical instruments, and medical equipment distributed by CHC has all been reviewed and approved by the competent authority. For more information related to supplier auditing procedures, please refer to sector 4.2 Supplier Relations.	76
HC-DI-260a.3	Discussion of process for alerting customers and business partners to potential or known risks associated with counterfeit products	All products distributed by the CHC have been reviewed and approved by the competent authorities, which can only be imported after various checks, so there is no possibility of selling counterfeit products.	-
Product Lifecycle Management			
HC-DI-410a.1	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Medical equipment in large pieces distributed by CHC is packaged by the manufacturer before shipment. After receiving the order, the Group delivers to the customer in original packaging without repackaging or changing packaging. Consumable is packed with minimum necessary protective wrapping. For more related measures, please refer to sector 4.1 Environmental Policy.	64
HC-DI-410a.2	Amount (by weight) of products accepted for take-back and reused, recycled, or donated	No such incident in 2024	-
Business Ethics			
HC-DI-510a.1	Description of efforts to minimise conflicts of interest and unethical business practices	The Group conducts regular internal audits to prevent conflicts of interest and unethical business practices.	-
HC-DI-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery, corruption, or other unethical business practices	No such incident in 2024	-
Activity Metrics			
HC-DI-000.A	Number of pharmaceutical units sold by product category	1.1 About CHC	4
HC-DI-000.B	Number of medical devices sold by product category	1.1 About CHC	4

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